Unemployment Insurance Review

March 1966

In this issue . . .

Characteristics of the Insured Unemployed, 1960–65

The Continuous Wage and Benefit History Program

UI Research Studies

Also . . .

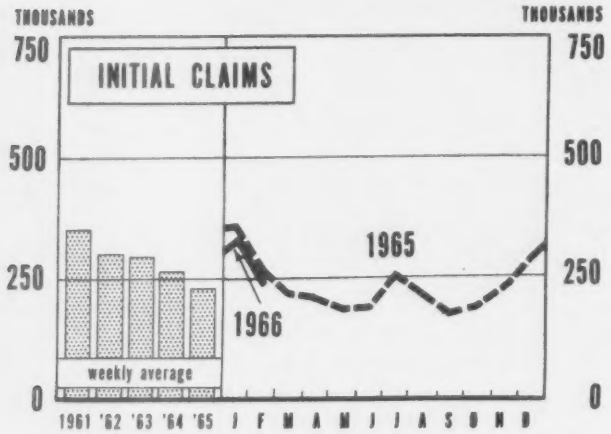
UI Financing in Calendar Year 1965

UNITED STATES DEPARTMENT OF LABOR

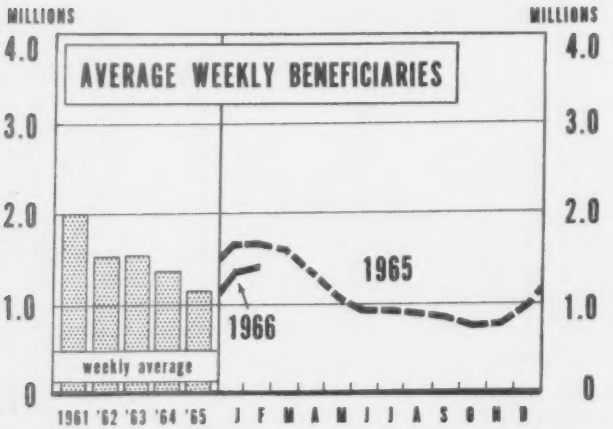
MANPOWER ADMINISTRATION

UNEMPLOYMENT INSURANCE ACTIVITIES

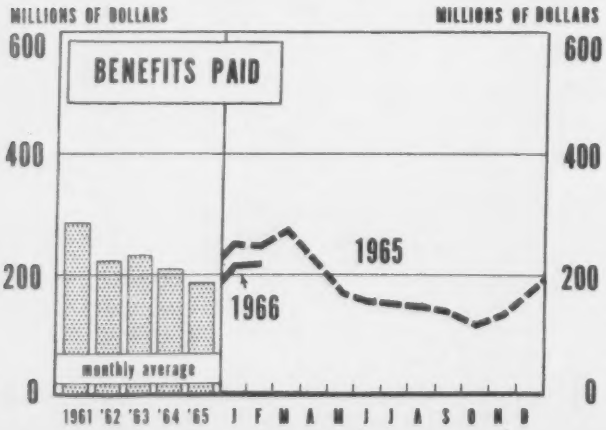
UNDER STATE PROGRAMS



Initial claims filed under State programs in February averaged 238,500 per week—90,600 below the volume in January and the lowest number in 13 years.



The number of beneficiaries in February was the lowest for the month in 10 years—a weekly average of 1.4 million, up by 80,000 from the preceding month but over one-quarter million below a year earlier.



A total of $217.2 million in benefits was paid to jobless workers in February—2 percent above January but 12 percent lower than the year-earlier amount.

Unemployment Insurance Review

March 1966
Vol. 3, No. 3

U.S. DEPARTMENT OF LABOR
W. Willard Wirtz, Secretary

MANPOWER ADMINISTRATION
Stanley H. Ruttenberg, Administrator

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Robert C. Goodwin, Administrator

UNEMPLOYMENT INSURANCE SERVICE
William U. Norwood, Jr., Director

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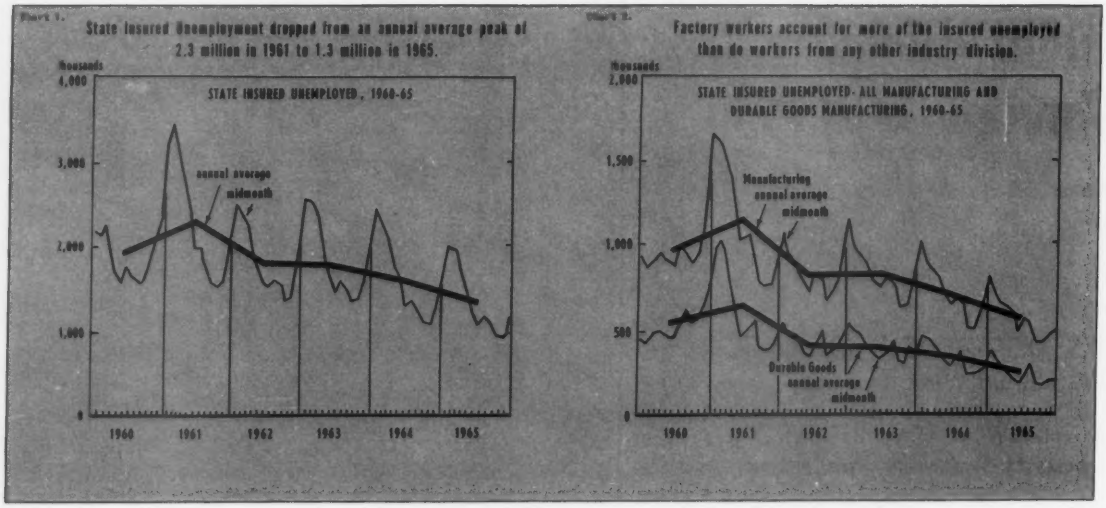


Characteristics of the Insured Unemployed 1960-65

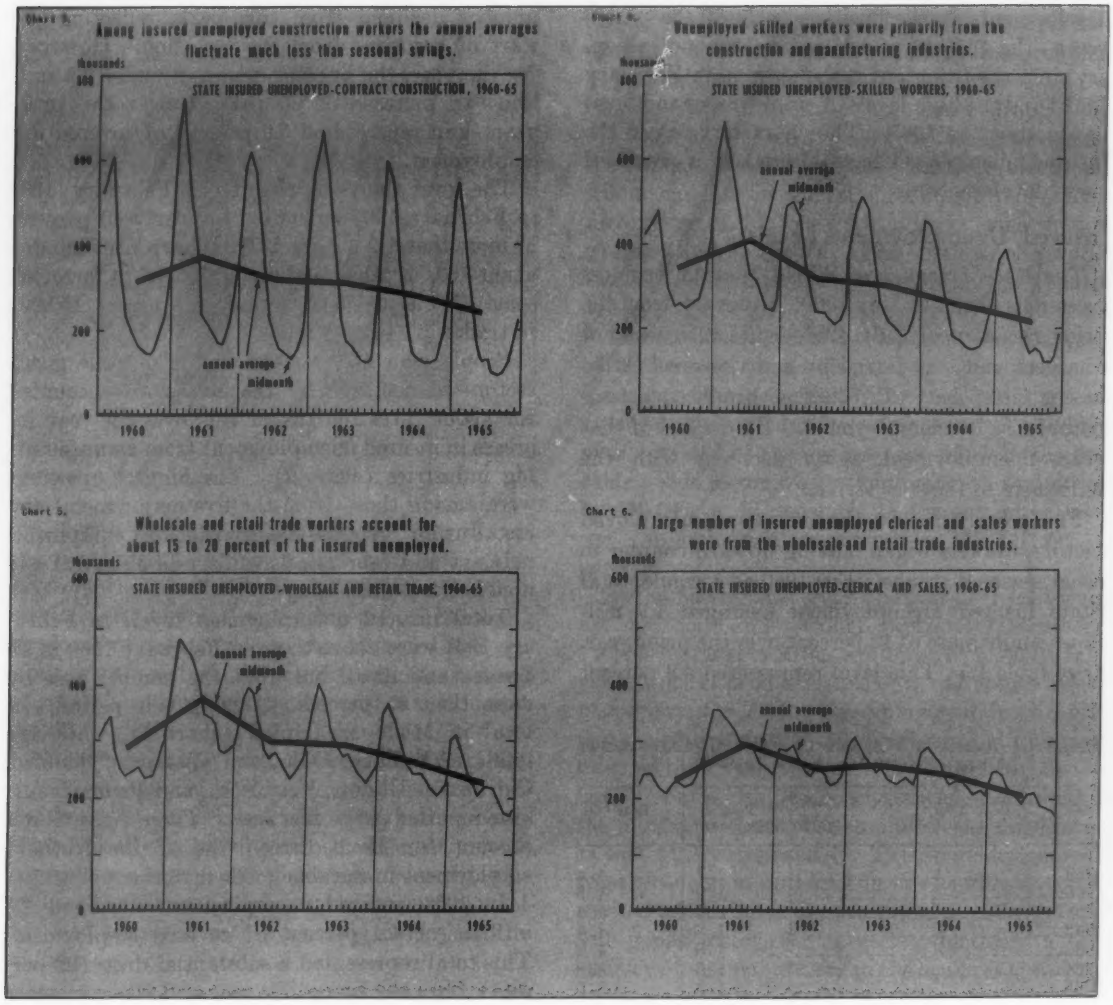
*Elizabeth Napier**

This article presents, for the first time, annual averages on the characteristics of the insured unemployed for the United States. These data relate to those persons filing under "regular" State programs and exclude claimants filing under temporary extended duration provisions that exist in a few States or under the Federal Temporary Extended Unemployment Compensation Program of 1961–62.

Highlights

- Insured unemployment reached an annual average peak of 2.3 million in 1961; by 1965, the number dropped 43 percent to some 1.3 million. At the same time, the proportion of factory workers among all claimants fell from 50 to 43 percent.
- Blue-collar workers (particularly susceptible to the effects of business cycle developments) comprised 75 percent of the insured unemployed in 1961, compared with 70 percent in 1965.
- Men accounted for 67 percent of the insured unemployed in 1961 and 60 percent in 1965. The decline in this proportion reflected the strong employment gains in durable goods manufacturing and in construction.
- Persons age 45 and over made up 38 percent of the claimants in 1961, compared with 43 percent in 1965.

*Division of Reports Analysis, Office of Program Development and Legislation, Unemployment Insurance Service, Bureau of Employment Security.


Among insured unemployed construction workers the annual averages fluctuate much less than seasonal swings.
STATE INSURED UNEMPLOYED-CONTRACT CONSTRUCTION, 1960-65
Thousands
800
600
400
200
0
annual average
midmonth
1960
1961
1962
1963
1964
1965
Unemployed skilled workers were primarily from the construction and manufacturing industries.
STATE INSURED UNEMPLOYED-SKILLED WORKERS, 1960-65
Wholesale and retail trade workers account for about 15 to 20 percent of the insured unemployed.
STATE INSURED UNEMPLOYED-WHOLESALE AND RETAIL TRADE, 1960-65
A large number of insured unemployed clerical and sales workers were from the wholesale and retail trade industries.
STATE INSURED UNEMPLOYED-CLERICAL AND SALES, 1960-65

- The insured unemployed who by midmonth had been filing for benefits for short periods (less than 5 consecutive weeks) rose from 38 percent of all claimants in 1961 to 43 percent in 1965. Meanwhile, the proportion in the long-term group (15 weeks and over) declined from 21 to 17 percent.
- Workers over 45 and also women each accounted for a somewhat larger share of all exhaustees than of all claimants.
- No significant differences in their industry characteristics existed between the exhaustees and all claimants.
- Relatively more unskilled and fewer skilled and semiskilled workers were among exhaustees than among all claimants.
- Nearly three-fifths of the exhaustees had been claiming benefits for 15 or more consecutive weeks. Among all claimants filing at midmonth, about 17 to 21 percent were in this duration group.

NATIONWIDE, trends in the number of insured unemployed under State unemployment insurance laws reflected, in large measure, the developments in the business cycle of the past 6 years—the 1960–61 recession, the economic recovery since the trough of that recession in February 1961,[1] and the high levels of employment and business activity in 1965. The characteristics of the insured unemployed have altered as a result of these developments.

Insured Unemployment Levels

The last of four post-World War II business recessions began in May 1960. Recovery from the prior recession of July 1957–April 1958 was not complete and was jarred by a major steel strike in the latter half of 1959 that produced a temporary rise in unemployment. By the end of that year, unemployment again declined with the settlement of the steel strike.

Fairly early in 1960, the number of unemployed factory workers began moving upward counter to usual seasonal trends. For 1960 as a whole, total State insured unemployment averaged 1.9 million—an increase of 13 percent over the prior year. (See table 1.) This level represented 4.8 percent of covered employment compared with 4.4 percent in 1959. Undoubtedly, a major part of the rise resulted from the turn in manufacturing employment, although later in 1960 the effects of the recession had spread to other industries. Among the insured unemployed in 1960, on the average, about 51 percent came from manufacturing, a higher percentage than for any year since then.

TABLE 1.—AVERAGE WEEKLY INSURED UNEMPLOYMENT UNDER STATE PROGRAMS, 1959–65 [1]

Year	Total (in millions)	Rate [2]
1959	1.7	4.4
1960	1.9	4.8
1961	2.3	5.6
1962	1.8	4.4
1963	1.8	4.3
1964	1.6	3.8
1965	1.3	3.0

[1] Includes Puerto Rico beginning in 1961.
[2] As a percent of average covered employment.

By mid-February of 1961, total State insured unemployment had climbed to an alltime record high of 3.4 million (chart 1). Thereafter, the number declined from this peak, reflecting the start of recovery from the recession. However, for the year, the average was just under 2.3 million—an increase of 20 percent over the prior year—and represented 5.6 percent of covered unemployment.

The over-the-year rise from February 1960 to February 1961 amounted to nearly 60 percent, or more than 1.2 million. This sharp rise included about 760,000 who had been employed in factories, some 170,000 in construction, and nearly 150,000 in trade.

People who had worked in the durable goods sector—hardest hit by the recession—accounted for about three-fourths of this over-the-year increase in insured unemployment from manufacturing industries (chart 2). The biggest upswings were among those from the five major metal and metal-using groups—transportation equipment, primary and fabricated metals, and electrical and nonelectrical machinery.

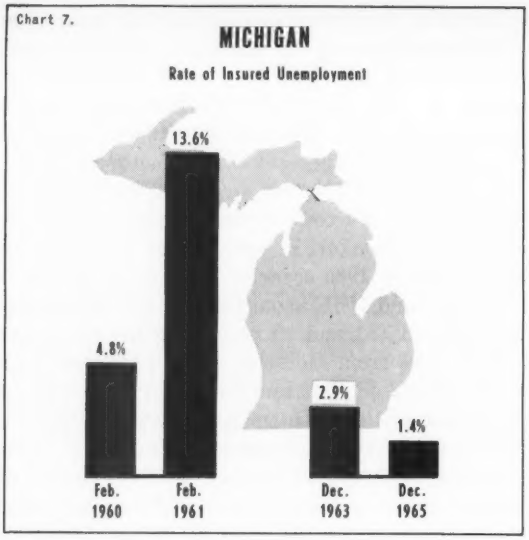
Total insured unemployment levels in February 1961 were above those in February 1960 in all States; and in all but nine, the number rose by more than 25 percent. During this period, the total in Michigan tripled (chart 7), while the totals in Indiana, Ohio, and Wisconsin doubled. California, Illinois, New York, and Pennsylvania also reported large increases. These eight States account for about three-fifths of the Nation's employment in durable goods manufacturing.

In 1962, insured unemployment averaged 1.8 million, or 4.4 percent of covered employment. This total represented a substantial drop (22 percent) from the preceding year and was somewhat less (6 percent) than in 1960. The 1962 rate of insured unemployment was also substantially below the prior year and below that in 1960. However, the 1962 level was still about 6 percent above the prerecession volume of 1959, although the rate was the same as in that year.

The overall level of insured unemployment showed no clear-cut trend during 1962 and 1963. The 1963 volume, at 1.8 million, was unchanged from the 1962 level, while the rate edged down from 4.4 to 4.3 percent as covered employment increased.

Despite no change in insured unemployment between 1962 and 1963, the unemployment situa-

[1] References to recession periods relate to those designated by the National Bureau of Economic Research.



tion began to improve again in the fall of 1963 and continued doing so in 1964 and 1965. This development resulted from the dramatic rise in employment during the past 2 years. The strong employment gains reflected the sustained and vigorous growth in business activity and the economy in general, spurred by the Federal tax reduction in 1964.

Insured unemployment declined to 1.6 million in 1964—11 percent less than in 1963—and the rate was down to 3.8 percent. In 1965, the economy seemed finally to have sustained sufficient growth to produce a significant departure from the generally elevated levels of insured unemployment that had persisted with a nagging hold since the midfifties.

In May 1965, the rate of insured unemployment was down to 2.7 percent (3.0 percent, seasonally adjusted). Experience during the remainder of 1965 and the first 2 months of 1966 showed a continuation and strengthening of this trend. Since May 1965, the seasonally adjusted rate of insured unemployment was above 3.0 percent only in August 1965 when, at 3.1 percent, it was influenced by model-change layoffs in the auto industry occurring somewhat later than usual. After that, the seasonally adjusted rate ranged from 2.9 percent in September down to 2.6 percent in February 1966.

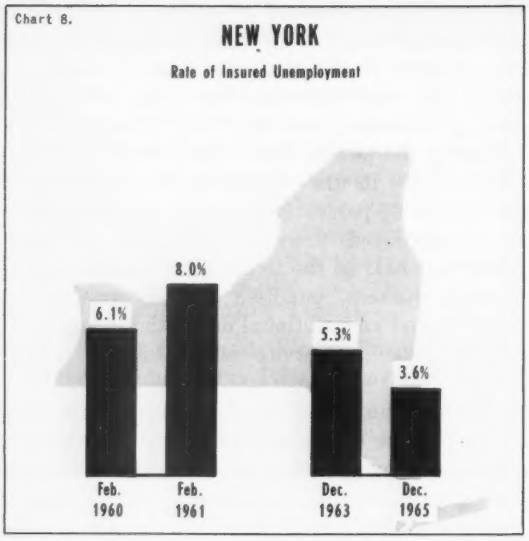
For 1965 as a whole, insured unemployment averaged 1.3 million and the rate was 3.0 percent. This number represented a decline of 17 percent, or 277,000, from 1964 and was the lowest for any year since 1956. More important, the rate was almost down to its postwar low of 2.8–2.9 percent during the years (1951–53) of the Korean conflict.

During the period from December 1963 to December 1965, insured unemployment dropped by 612,000, or 34 percent. Declines occurred among the unemployed from all industry divisions. About one-half of the total reduction was among factory workers, one-fifth among construction workers, and an additional one-fifth among workers in trade and service establishments (charts 3–6).

The most important development was the drop of 37 percent (some 300,000) in the number of claimants from factories, with the decrease spread among all major manufacturing groups. Slightly over one-half of the decline took place in the durable goods sector where the number moved down by 156,000, or 42 percent. In the soft goods sector, the reduction amounted to 147,000, or 33 percent.

In the hard goods sector, largest decreases were among claimants from electrical machinery (40,000), transportation equipment (24,000), fabricated metal products (22,000), and nonelectrical machinery (18,000). Unemployment in the primary metals industries declined markedly during most of this 2-year period. However, during the last 3 months of 1965, a substantial rise brought the number in December to almost the same level as that of 2 years earlier. This increase resulted from production cutbacks in steel mills, as users worked off strike-hedge inventories. Within the soft goods sector, the largest reductions in the number of claimants were in the apparel (54,000), textile (30,000), food (18,000), and leather (13,000) industries.

The decline in insured unemployment from December 1963 to December 1965 also was widespread geographically. All States except Nevada and Utah had fewer claimants in the latter month than 2 years earlier. Insured unemployment was up about 1,000 in Nevada, about 3,000 in Puerto Rico, and at the same level in Utah. Among the States, the biggest reductions during the 2-year period were 80,000 in New York (chart 8), Pennsylvania (79,000), Ohio (44,000), Illinois (37,000), and Massachusetts and New Jersey (34,000 each). Three other States (Michigan, Texas, and Washington) experienced decreases of more than 20,000.



Together these nine States accounted for just over three-fifths of the Nation's total decline, compared with slightly less than one-half of the employment covered by the State programs.

Industry Attachment

As already indicated, the impact of the 1960–61 recession was greater on factory workers than on nonfactory workers. Also, the effects of the moderate economic expansion in 1962 and the marked improvements during 1964–65 had a greater impact on unemployment among factory than nonfactory workers. Table 2 shows insured unemployed by industry division.

Between 1961 and 1962, the annual average of insured unemployment among factory workers dropped by 28 percent, compared with a decrease of 22 percent among all claimants. Factory workers accounted for one-half of the insured unemployed in 1961, and for over three-fifths of the reduction by 1962. From 1963 to 1965, the annual average fell by 31 percent among factory workers, compared with 26 percent among all of the insured unemployed. Factory workers comprised 46 percent of all claimants in 1963; about 55 percent of the decline by 1965 occurred among this group.

In 1960 and 1961, about one-half of the insured unemployed (51 and 50 percent in the respective years) came from factories. This proportion fell to 46 percent in 1962 and 1963, and was down to 43 percent by 1965. During the 6-year period from 1960 through 1965, the annual average of insured unemployment among factory workers peaked at more than 1.1 million for 1961. From this peak, the number dropped by one-half to an average of about 570,000 for 1965.

Factory insured unemployment in January 1960 totaled 941,000 and represented 43 percent of all the insured unemployed. By January 1961, such unemployment had climbed to 1,650,000 and comprised 51 percent of the total. Thereafter, declines brought the number of claimants from factories down to 512,000 in December 1965—44 percent of all insured unemployed.

As stated previously, the hard goods sector of manufacturing was most seriously affected by the 1960–61 recession, particularly the metal and metal-using industries. Insured unemployment in this sector rose from under 450,000 during the first 2 months of 1960 to over a million by February 1961. Four years later, such unemployment had fallen to about 350,000; and by December 1965 it was down to just over 200,000.

TABLE 2.—THE INSURED UNEMPLOYED BY INDUSTRY DIVISION, 1960–65 [1]

[Percent distribution of annual averages]

Industry division	1960	1961	1962	1963	1964	1965
Total	100.0	100.0	100.0	100.0	100.0	100.0
Mining	2.6	2.3	2.2	1.9	1.6	1.6
Contract construction	16.5	16.3	17.7	17.4	17.8	18.7
Manufacturing	50.9	49.7	46.1	46.4	45.4	43.3
Public utilities	3.8	4.1	4.2	4.1	4.0	4.1
Wholesale and retail trade	14.6	15.9	16.7	16.5	16.7	17.1
Finance, insurance, and real estate	1.7	1.8	2.0	2.1	2.3	2.5
Services	7.4	7.7	8.7	9.2	9.8	10.6
All other	2.0	1.8	1.9	1.8	1.8	1.9
Information not available	.6	.5	.5	.5	.5	.3

[1] Includes Puerto Rico beginning in 1961, except for sugarcane workers.

TABLE 3.—THE INSURED UNEMPLOYED BY MAJOR OCCUPATIONAL GROUP, 1960–65 [1]

[Percent distribution of annual averages]

Major occupational group	1960	1961	1962	1963	1964	1965
Total	100.0	100.0	100.0	100.0	100.0	100.0
Professional and managerial	3.4	3.4	3.8	4.1	4.7	4.7
Clerical and sales	12.2	13.0	14.2	14.6	15.4	15.9
Services	7.4	7.7	8.2	8.4	8.6	9.0
Skilled	17.9	17.9	17.8	17.0	16.5	16.5
Semiskilled	28.3	28.1	26.2	26.7	26.2	25.3
Unskilled and other	29.7	29.2	29.1	28.7	28.2	28.2
Information not available	1.2	.6	.6	.5	.4	.4

[1] Includes Puerto Rico beginning in 1961, except for sugarcane workers.

Claimants from all industry divisions were fewer in 1965 than in 1961. But, because of the sharper drop in the number of insured unemployed from manufacturing than from other industry divisions (except mining), the share of all claimants from most other divisions moved upward. The proportion of construction workers rose from 16 to 19 percent, of service workers from 8 to 11 percent, and of trade workers from 16 to 17 percent.

Major Occupational Developments

Blue-collar workers—skilled, semiskilled, and unskilled—are particularly susceptible to the effects of cyclical developments. In 1960, these three groups comprised 76 percent, on the average, of the State insured unemployed. By 1965, this proportion was down to 70 percent. From 1960 to 1965, the proportion of total claimants declined in each of these three major occupational categories—skilled from 18 to 16 percent, semiskilled from 28 to 25 percent, and unskilled from 30 to 28 percent. Table 3 shows the insured unemployed by major occupational groups.

From February 1960, total State insured unemployment rose by nearly 1,250,000, or 57 percent, to an alltime record high in February 1961. At the same time, the number of claimants with blue-collar occupations increased by 1,075,000, or 65 percent, and the proportion of such claimants among all the insured unemployed moved up from 76 to 80 percent.

Four years later, in February 1965, total insured unemployment had declined by 1,460,000, or 43 percent, and the number of claimants with blue-collar occupations, by 1,265,000, or 46 percent. The proportion of claimants in the blue-collar groups moved down from 80 to 75 percent over the 4-year period. From February to December 1965, the decline amounted to 44 percent among blue-collar workers, compared with a reduction of 40 percent among all the insured unemployed; their share of the total decreased to 70 percent.

Insured unemployment in the other three major occupational groups was lower in 1965 than in the 1960–61 recession period. However, because the decreases among those claimants were relatively smaller than among the blue-collar groups, their proportions of the total increased from 1960 to 1965. The share of claimants with professional and managerial occupations rose from 3 to 5 percent; clerical and sales occupations, from 12 to 16 percent; and service occupations, from 7 to 9 percent.

Marked Drop in Male Unemployment

Among the insured unemployed, men benefited more than women during the past few years of economic recovery. Contributing to this situation were the strong advances in employment in durable goods manufacturing and in construction, industry sectors with a preponderance of men in the work force. Table 4 shows the insured unemployed by sex, age, and duration.

In 1961, male claimants averaged more than 1.5 million—an increase of 270,000, or 22 percent, over the average in the preceding year. Declines in each of the next 4 years (the decrease from 1962 to 1963 was small) brought the number of men among the insured unemployed down to an average of about 790,000 in 1965. This figure represented a drop of about 750,000, or nearly one-half, from the peak insured unemployment year of 1961.

The average number of women claimants rose by over 100,000, or about 18 percent, from 1960 to

TABLE 4.—THE INSURED UNEMPLOYED BY SEX, AGE, AND DURATION, 1960–65 [1]

[Percent distribution of annual averages]

Characteristics	1960	1961	1962	1963	1964	1965
SEX						
Total	100.0	100.0	100.0	100.0	100.0	100.0
Men	66.0	66.7	64.5	62.5	60.8	60.1
Women	34.0	33.3	35.5	37.5	39.2	39.9
AGE IN YEARS						
Total	100.0	100.0	100.0	100.0	100.0	100.0
Total under 45	61.0	61.7	59.0	60.0	59.2	57.3
Under 25	15.0	15.5	14.7	15.9	15.5	14.8
25–34	22.6	22.6	21.3	21.0	20.9	20.5
35–44	23.4	23.7	23.0	23.0	22.8	22.1
Total 45 and over	38.8	38.2	40.9	40.0	40.8	42.6
45–54	20.2	20.0	20.5	20.2	20.6	21.2
55–64	12.8	12.8	14.1	13.8	14.3	15.2
65 and over	5.8	5.4	6.3	6.0	5.9	6.3
Information not available	.2	.1	.1	(2)	(2)	(2)
DURATION [3]						
Total	100.0	100.0	100.0	100.0	100.0	100.0
1–4 weeks	41.9	37.7	41.1	40.9	41.5	42.6
5–14 weeks	41.3	41.7	41.0	41.4	40.6	40.8
15 weeks and over	16.8	20.6	17.9	17.7	17.8	16.6

[1] Includes Puerto Rico beginning in 1961, except for sugarcane workers.
[2] Less than 0.05 percent.
[3] Length of current spell of insured unemployment.

approximately 760,000 in 1961. A substantial decline took place in 1962, but the average showed a small rise the following year. Reductions in each of the next 2 years lowered average insured unemployment among women to about 525,000 in 1965. From 1961, the drop amounted to 240,000, or 32 percent.

Men accounted for two-thirds of the insured unemployed in 1960 and 1961. As a result of the bigger reduction among men than women claimants, the proportion of men decreased to 60 percent in 1965; meanwhile the proportion of women increased from about one-third during the recession period to 40 percent in 1965.

Age of the Insured Unemployed

Insured unemployment in 1965 was less in all age groups than during the 1960–61 recession, but the relative distribution of claimants among the various age groups differed. Workers who have passed 45 are less likely to be laid off than younger workers, who usually have less seniority rights. However, once they become unemployed, older workers often experience prolonged periods of joblessness, unless they have sufficient seniority to be recalled early to their former jobs when employment picks up.

From 1960 to 1961, the average number of claimants age 45 and over increased 18 percent compared with a rise of 22 percent for those under 45. From 1961 to 1965, annual average insured unemployment of the older group declined from 875,000 to 560,000—a decrease of 36 percent. During the same period, the average for the younger groups dropped by 47 percent—from 1.4 million to 750,000.

As a result of the sharper reduction among the younger insured unemployed, their proportion of the total moved down from 62 percent in 1961 to 57 percent in 1965. Most of the decline took place among the groups age 25 to 44 years. The proportion in the 25–34 age group decreased from about 23 to 20 percent, and that in the 35–44 age group from 24 to 22 percent. The share of all claimants under 25 years held at 15–16 percent during the 6 years, probably reflecting in part the increasing proportion of such young workers among those employed in nonagricultural industries. Their

share of nonfarm employment edged up steadily from 16 percent in 1960 to 19 percent in 1965.

Although their numbers declined, the proportion of older workers (age 45 and over) among the insured unemployed rose from 38 percent in 1961 to 43 percent in 1965. Increases occurred in all age groups, but the most noticeable ones were among those 55 and over. The proportion in the 55–64 group went up from 13 to 15 percent, while that among 65 and over rose from 5 to 6 percent.

Duration of Insured Unemployment

Information is collected regularly on the length of the current spell of State insured unemployment for all claimants. This information is limited in that it excludes persons who have received all of the unemployment benefits to which they are entitled; but it does show the numbers of people who have been claiming benefits for short and long periods of time.

TABLE 5.—CHARACTERISTICS OF CLAIMANTS WHO EXHAUSTED THEIR BENEFIT RIGHTS

	1960	1961	1962	1963	1964	1965
Annual total (in thousands)[1]	1,603	2,371	1,641	1,572	1,371	1,086
Weekly average (in thousands)[1]	31	46	32	30	26	21
Characteristic[2]	Percent distribution					
SEX						
Total	100.0	100.0	100.0	100.0	100.0	100.0
Men	60.7	65.3	60.4	57.1	54.3	54.2
Women	39.2	34.7	39.6	42.9	45.7	45.8
AGE						
Total	100.0	100.0	100.0	100.0	100.0	100.0
Under 45 years	57.4	59.8	55.8	56.1	56.8	54.2
45 years and over	42.6	40.2	44.2	43.9	43.2	45.8
LENGTH OF CURRENT SPELL OF INSURED UNEMPLOYMENT						
Total	100.0	100.0	100.0	100.0	100.0	100.0
1–4 weeks	15.6	14.1	14.1	16.1	14.4	15.2
5–14 weeks	28.0	26.3	29.5	28.1	26.7	27.9
15–26 weeks	38.8	38.3	36.0	34.2	36.6	35.3
27 weeks and more	17.6	21.4	20.5	21.7	22.2	21.6
INDUSTRY DIVISION						
Total	100.0	100.0	100.0	100.0	100.0	100.0
Mining	3.1	2.6	2.1	2.5	2.1	1.1
Contract construction	15.6	14.8	15.8	15.4	14.1	16.3
Manufacturing	48.4	50.3	45.0	45.4	45.2	42.6
Public utilities	3.5	4.1	4.0	4.3	3.7	3.7
Wholesale and retail trade	16.6	17.1	19.8	18.2	19.5	18.9
Finance, insurance, and real estate	2.1	1.8	2.1	2.1	2.5	3.2
Services	8.3	7.4	9.0	9.6	10.8	12.1
All other	2.1	1.8	1.8	2.5	2.1	2.1
Information not available	.3	.2	.4	0	0	0
MAJOR OCCUPATIONAL GROUP						
Total	100.0	100.0	100.0	100.0	100.0	100.0
Professional and managerial	3.1	3.3	3.6	3.2	4.9	4.2
Clerical and sales	13.9	13.3	16.2	16.5	16.9	18.9
Service	9.4	8.4	9.7	10.4	10.3	10.5
Skilled	14.6	15.6	15.5	14.3	12.3	13.2
Semiskilled	25.0	26.3	23.7	24.4	23.5	22.6
Unskilled and other	33.7	32.9	30.9	31.2	31.7	30.5
Information not available	.3	.3	.4	0	.4	0

[1] Annual total and weekly averages include all exhaustions during the year.
[2] Data on characteristics relate to claimants receiving their final payments for the week including the 12th of the month.

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TABLE 4.—THE INSURED UNEMPLOYED BY SEX, AGE, AND DURATION, 1960–65 [1]

[Percent distribution of annual averages]

Characteristics	1960	1961	1962	1963	1964	1965
SEX						
Total	100.0	100.0	100.0	100.0	100.0	100.0
Men	66.0	66.7	64.5	62.5	60.8	60.1
Women	34.0	33.3	35.5	37.5	39.2	39.9
AGE IN YEARS						
Total	100.0	100.0	100.0	100.0	100.0	100.0
Total under 45	61.0	61.7	59.0	60.0	59.2	57.3
Under 25	15.0	15.5	14.7	15.9	15.5	14.8
25–34	22.6	22.6	21.3	21.0	20.9	20.5
35–44	23.4	23.7	23.0	23.0	22.8	22.1
Total 45 and over	38.8	38.2	40.9	40.0	40.8	42.6
45–54	20.2	20.0	20.5	20.2	20.6	21.2
55–64	12.8	12.8	14.1	13.8	14.3	15.2
65 and over	5.8	5.4	6.3	6.0	5.9	6.3
Information not available	.2	.1	.1	(2)	(2)	(2)
DURATION [3]						
Total	100.0	100.0	100.0	100.0	100.0	100.0
1–4 weeks	41.9	37.7	41.1	40.9	41.5	42.6
5–14 weeks	41.3	41.7	41.0	41.4	40.6	40.8
15 weeks and over	16.8	20.6	17.9	17.7	17.8	16.6

[1] Includes Puerto Rico beginning in 1961, except for sugarcane workers.
[2] Less than 0.05 percent.
[3] Length of current spell of insured unemployment.

approximately 760,000 in 1961. A substantial decline took place in 1962, but the average showed a small rise the following year. Reductions in each of the next 2 years lowered average insured unemployment among women to about 525,000 in 1965. From 1961, the drop amounted to 240,000, or 32 percent.

Men accounted for two-thirds of the insured unemployed in 1960 and 1961. As a result of the bigger reduction among men than women claimants, the proportion of men decreased to 60 percent in 1965; meanwhile the proportion of women increased from about one-third during the recession period to 40 percent in 1965.

Age of the Insured Unemployed

Insured unemployment in 1965 was less in all age groups than during the 1960–61 recession, but the relative distribution of claimants among the various age groups differed. Workers who have passed 45 are less likely to be laid off than younger workers, who usually have less seniority rights. However, once they become unemployed, older workers often experience prolonged periods of joblessness, unless they have sufficient seniority to be recalled early to their former jobs when employment picks up.

From 1960 to 1961, the average number of claimants age 45 and over increased 18 percent compared with a rise of 22 percent for those under 45. From 1961 to 1965, annual average insured unemployment of the older group declined from 875,000 to 560,000—a decrease of 36 percent. During the same period, the average for the younger groups dropped by 47 percent—from 1.4 million to 750,000.

As a result of the sharper reduction among the younger insured unemployed, their proportion of the total moved down from 62 percent in 1961 to 57 percent in 1965. Most of the decline took place among the groups age 25 to 44 years. The proportion in the 25–34 age group decreased from about 23 to 20 percent, and that in the 35–44 age group from 24 to 22 percent. The share of all claimants under 25 years held at 15–16 percent during the 6 years, probably reflecting in part the increasing proportion of such young workers among those employed in nonagricultural industries. Their

share of nonfarm employment edged up steadily from 16 percent in 1960 to 19 percent in 1965.

Although their numbers declined, the proportion of older workers (age 45 and over) among the insured unemployed rose from 38 percent in 1961 to 43 percent in 1965. Increases occurred in all age groups, but the most noticeable ones were among those 55 and over. The proportion in the 55–64 group went up from 13 to 15 percent, while that among 65 and over rose from 5 to 6 percent.

Duration of Insured Unemployment

Information is collected regularly on the length of the current spell of State insured unemployment for all claimants. This information is limited in that it excludes persons who have received all of the unemployment benefits to which they are entitled; but it does show the numbers of people who have been claiming benefits for short and long periods of time.

TABLE 5.—CHARACTERISTICS OF CLAIMANTS WHO EXHAUSTED THEIR BENEFIT RIGHTS

	1960	1961	1962	1963	1964	1965
Annual total (in thousands)[1]	1,603	2,371	1,641	1,572	1,371	1,086
Weekly average (in thousands)[1]	31	46	32	30	26	21
Characteristic[2]	Percent distribution					
SEX						
Total	100.0	100.0	100.0	100.0	100.0	100.0
Men	60.7	65.3	60.4	57.1	54.3	54.2
Women	39.2	34.7	39.6	42.9	45.7	45.8
AGE						
Total	100.0	100.0	100.0	100.0	100.0	100.0
Under 45 years	57.4	59.8	55.8	56.1	56.8	54.2
45 years and over	42.6	40.2	44.2	43.9	43.2	45.8
LENGTH OF CURRENT SPELL OF INSURED UNEMPLOYMENT						
Total	100.0	100.0	100.0	100.0	100.0	100.0
1–4 weeks	15.6	14.1	14.1	16.1	14.4	15.2
5–14 weeks	28.0	26.3	29.5	28.1	26.7	27.9
15–26 weeks	38.8	38.3	36.0	34.2	36.6	35.3
27 weeks and more	17.6	21.4	20.5	21.7	22.2	21.6
INDUSTRY DIVISION						
Total	100.0	100.0	100.0	100.0	100.0	100.0
Mining	3.1	2.6	2.1	2.5	2.1	1.1
Contract construction	15.6	14.8	15.8	15.4	14.1	16.3
Manufacturing	48.4	50.3	45.0	45.4	45.2	42.6
Public utilities	3.5	4.1	4.0	4.3	3.7	3.7
Wholesale and retail trade	16.6	17.1	19.8	18.2	19.5	18.9
Finance, insurance, and real estate	2.1	1.8	2.1	2.1	2.5	3.2
Services	8.3	7.4	9.0	9.6	10.8	12.1
All other	2.1	1.8	1.8	2.5	2.1	2.1
Information not available	.3	.2	.4	0	0	0
MAJOR OCCUPATIONAL GROUP						
Total	100.0	100.0	100.0	100.0	100.0	100.0
Professional and managerial	3.1	3.3	3.6	3.2	4.9	4.2
Clerical and sales	13.9	13.3	16.2	16.5	16.9	18.9
Service	9.4	8.4	9.7	10.4	10.3	10.5
Skilled	14.6	15.6	15.5	14.3	12.3	13.2
Semiskilled	25.0	26.3	23.7	24.4	23.5	22.6
Unskilled and other	33.7	32.9	30.9	31.2	31.7	30.5
Information not available	.3	.3	.4	0	.4	0

[1] Annual total and weekly averages include all exhaustions during the year.
[2] Data on characteristics relate to claimants receiving their final payments for the week including the 12th of the month.

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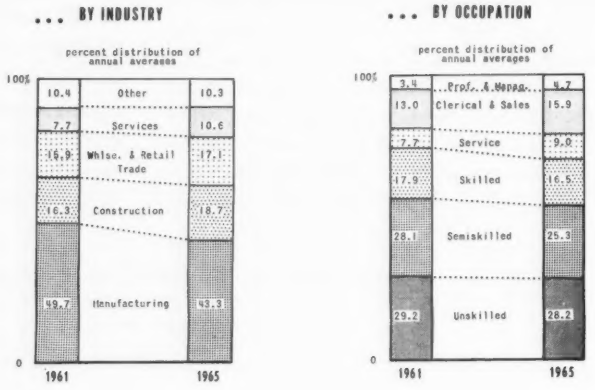
Chart 9.

CHARACTERISTICS OF THE INSURED UNEMPLOYED

1961 and 1965 annual averages



The number of claimants who were in the short-term group (less than 5 weeks) increased by 8 percent from 1960 to an average of 865,000 in 1961. Meanwhile, the long-term group (15 weeks and over) climbed by 48 percent to about 475,000. Because of the much sharper rise in the long-term group, its proportion of all claimants moved up from 17 to 21 percent, while that of the short-term group declined from 42 to 38 percent.

By 1965, the short-term group of insured unemployed was down to an average of 560,000—a decrease of 35 percent from 1961. At the same time, the long-term group dropped 54 percent to about 220,000. Reflecting the differences in these percentage reductions, the proportion of the claimants in the short-term group increased from 38 to 43 percent, while that of claimants in the long-term group declined from 21 percent to about 17 percent.

The number of claimants who had been filing for benefits for 5 to 14 weeks increased in 1961, then declined in 3 of the following 4 years. However, the proportion of all claimants in this duration group showed little change over the 1960–65 period. Slightly over two-fifths of all the insured unemployed were in this group during each of the 6 years.

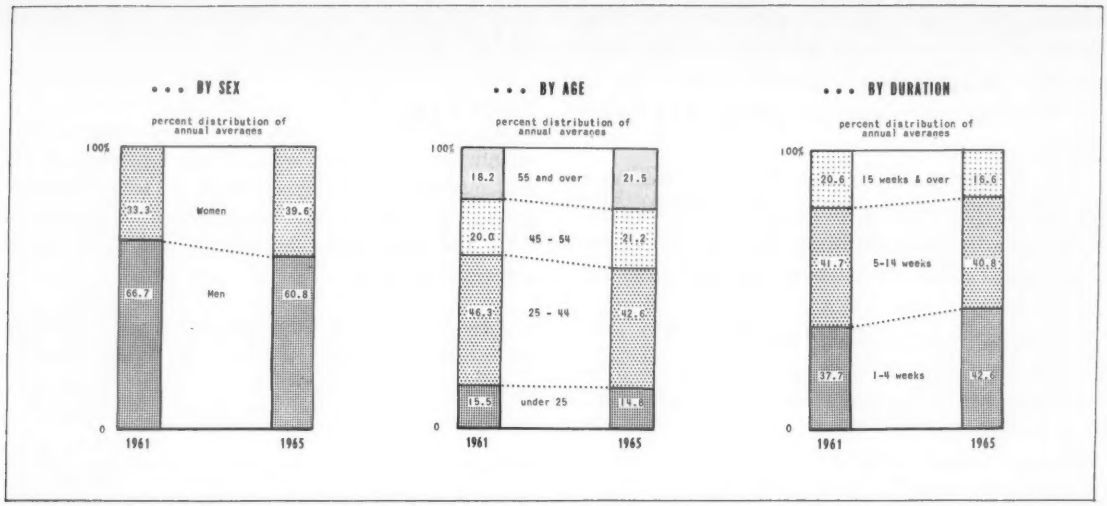
Characteristics of Exhaustees

The number of claimants who exhausted their benefit rights rose from 1.6 million in 1960 to nearly 2.4 million in 1961—an increase of about 770,000, or 48 percent. The total for 1961 was the highest number on record, except for 1958 when it was 2.6 million. The number of exhaustions dropped sharply (31 percent) in 1962, edged down in 1963, and then showed substantial decreases in the following 2 years. Exhaustions totaled less than 1.1 million in 1965—about 1.3 million, or 54 percent, less than in 1961, and the smallest number in any year since 1956. The average weekly number of exhaustions increased from 31,000 in 1960 to 46,000 in 1962, and then declined to 21,000 in 1965. (See table 5 and chart 9.)

Age and sex.—During the 6-year period 1960–65, two-fifths or more of the exhaustees were older workers (45 and over). The proportion ranged from 40 percent in 1961 to 46 percent in 1965—2 to 4 percentage points above the older worker proportion of all claimants. The increase illustrates the greater difficulty for older workers in finding jobs, even in a period of economic growth.

Women comprise a higher proportion of exhaustees than of all claimants, indicating a higher rate of benefit exhaustions as compared with men. In part, this higher rate probably stems from the fact that women tend to have lower earnings and consequently are entitled to benefits for a shorter period of time in most States. But it is also due to the generally greater difficulty women have in regaining employment as compared with men.

In 1960, women accounted for 39 percent of the exhaustees, compared with 34 percent of all claimants. But because of the lesser effects of the



recession on women than on men, in 1961 the proportion of women exhaustees went down to 35 percent, while their share among all claimants fell to 33 percent. However, men fared better than women as economic activity accelerated. As a result, in 1965 women accounted for 46 percent of exhaustees and 40 percent of all claimants.

Industry attachment.—No appreciable differences existed between exhaustees and all other claimants as to their industry characteristics during the past 6 years. As was the case among all claimants, the largest share of exhaustees had worked in factories. In 1961, one-half of them were from manufacturing plants where large job losses occurred during the recession. By 1965, this proportion had declined to 43 percent—the same as the proportion of factory workers among all of the insured unemployed.

Workers from trade establishments comprised from about 17 to 20 percent of exhaustees over the 6-year period. Although the differences were very small (1 to 3 percentage points), trade workers consistently accounted for a higher proportion among exhaustees than among all claimants.

Construction workers were almost as numerous as trade workers; their proportion varied from 14 to 16 percent. Here, also, compared with the share of such workers among all claimants, the pattern was consistent—but in reverse. Workers from the construction industry made up from 1 to about 4 percentage points less among exhaustees than among all claimants.

Occupations.—As was expected, persons with blue-collar occupations accounted for two-thirds to three-fourths of the exhaustees in each of the past 6 years. There were relatively more unskilled workers and fewer skilled and semiskilled workers among exhaustees than among all claimants. This pattern was consistent throughout the entire 6-year period.

The proportion of unskilled workers ranged from about 31 to 34 percent—some 2 to 4 percentage points more than their proportion among all claimants. On the other hand, the proportions of semiskilled workers (about 23 to 26 percent of the total) were about 2 to 3 percentage points less than among all claimants. Skilled workers accounted for from 12 to 16 percent, compared with 16 to 18 percent of all insured unemployed.

Duration.—Of course, the main difference between exhaustees and all insured unemployed was in the number of consecutive weeks for which they claimed benefits. A high proportion of claimants usually remain on the insured unemployment rolls for very short periods.

During 1960–65, from 14 to 16 percent of the exhaustees had been filing for benefits for only 1 to 4 consecutive weeks during their last spell of insured unemployment.[2] In sharp contrast

[2] On the average, claimants have more than one spell of insured unemployment during their "benefit year." A benefit year is usually a 1-year period or a 52-week period during which claimants can draw upon a fixed amount of benefits for which they qualify.

roughly two-fifths of all claimants who were filing at midmonth had been on the rolls for such short periods. Many of these continued to file claims in the following weeks and thus moved into a longer duration group.

The difference in duration between exhaustees and all of the insured unemployed was not as great for those who had been filing for 5 to 14 consecutive weeks. This duration group accounted for 26 to 30 percent of the exhaustees and about 41 percent of all claimants.

A marked contrast between exhaustees and all claimants also existed in the long-term group (15 weeks and over). From 56 to 60 percent of the exhaustees, compared with 17 to 21 percent of all the insured unemployed, were in this duration group. Of all the exhaustees, approximately one-fifth had been claiming benefits for 27 or more consecutive weeks.

NOTE.—Since January 1960, the Bureau of Employment Security has been publishing data on the personal and economic characteristics of the insured unemployed filing under State unemployment insurance programs. The information on these characteristics, which include age, sex, industry, occupation, and duration of current spell of insured unemployment, is obtained through the cooperation of central and local offices of the State employment security agencies. The statistics are derived from a sample survey taken for 1 week (week including the 12th) in each month, of all persons claiming benefits under the State programs.

Although limited to those among the unemployed who are filing for unemployment benefits, this is the only information available *by State* on the characteristics of the unemployed. Monthly data were published in *The Insured Unemployed* from January 1960 through December 1963; and beginning in January 1964, in *Unemployment Insurance Statistics.*

The Continuous Wage and Benefit History Program

*Albert F. Hartman**

IN 1965, two State research reports appeared, one in Pennsylvania and the other in Washington, that were the result of analyses developed through a relatively new approach to research in unemployment insurance.

The Pennsylvania report found that while in 1962 average monthly total unemployment in that State was estimated at 7.9 percent of the civilian labor force, over the entire year 17 percent of the 3,712,000 workers, with insured earnings under the Pennsylvania Unemployment Compensation Law, filed monetarily eligible claims for benefits. Some 14 percent of those eligible claimants never collected any benefits, primarily because they returned to work quickly. Of those who did collect benefits, 52 percent had two or more spells of unemployment during their individual benefit years, and 20 percent exhausted all the benefits to which they were entitled.

The Washington report found that of 826,000 workers with covered wage credits in 1954, some 447,000, or 54 percent, also had wage credits in 1960. Or, viewed another way, of 882,000 workers with wage credits in 1960, 446,000—slightly more than half—also had earnings in 1954. Further, almost 40 percent of the 1960 workers with wage credits had covered earnings in each of the 7 consecutive years beginning with 1954.

The statistics in these reports are significant for two reasons: (1) Because these data have become available for the first time; and (2) because of the methodology by which they were developed. Both reports are byproducts of a *continuous wage and benefit history* (CWBH) program. Pennsylvania and Washington are only two of many States that have started to fill wide gaps in information about UI benefit claimants that have existed since the inception of the UI program.

*Chief, Division of Program Studies, Office of Program Development and Legislation, Unemployment Insurance Service, Bureau of Employment Security.

The CWBH Program

It is expected that more of this same type or similar data will soon appear in State UI research reports, as a result of the publication in January 1966 of the Bureau's *Guide For a Continuous Wage and Benefit History Program in Unemployment Insurance* (BES No. U–251).

The Bureau, in distributing the *Guide* to the State agencies, urged them to establish a common CWBH program as soon as possible, using the methodology outlined in the *Guide*. The Bureau pointed out that the agencies can no longer afford to neglect using all the information available to them to its full potential in order to supply the answers needed to questions about unemployment insurance.

Nature of the Program

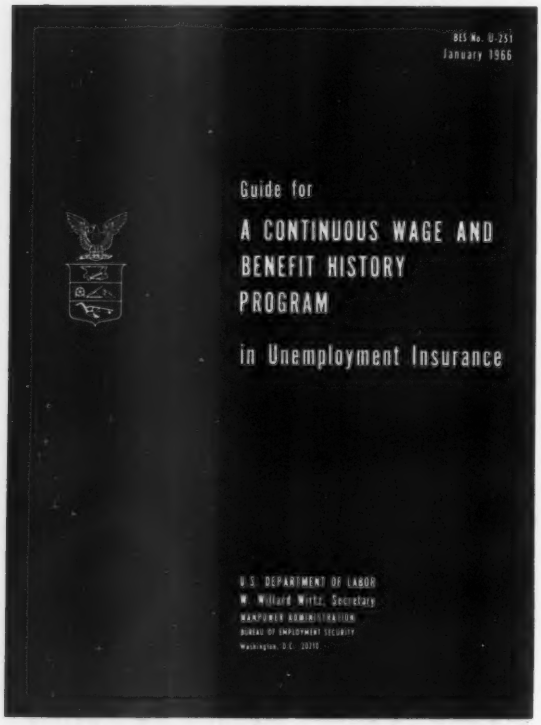
Basically, a CWBH program is a system by which data on covered workers and claimants, largely available from State agency files, are accumulated continuously, normally on a sample basis.

The data accumulated include wages by calendar quarters, benefit experience, and, to the extent available, the industrial, occupational, economic, and personal characteristics of claimants. For those States without available quarterly wage records,[1] the *Guide* provides suggestions for obtaining such data from other sources. These States, in any case, can at least maintain a continuous program for claimant data.

The basic program design entails the determination of an adequately sized, integrated sample of covered workers and claimants, randomly chosen by using digits of the social security account number. Once the digits are selected and a starting point is established, all applicable wage or claim records (or duplicates of them) containing those

[1] In 13 States, wage data for determining benefit rights are obtained on a request basis after the worker files his claim.

digits are routed through and used in the CWBH process. In this way, a case history which will be maintained continuously is created for all covered workers in the sample (some of whom will become claimants).



Values of the Program

One of the most worthwhile features of a CWBH program is that it keeps available the data obtained as a byproduct from employer reports and the claimant information acquired in the course of normal claims operations. When studies of various phases of the UI program are needed, the data already accumulated (with some modification and adaptation) can be put to immediate use. For the most part, such a ready source of data obviates the need for new, time-consuming, data-gathering projects each time information is required. The CWBH program should eventually constitute the basic source from which most UI program research studies can be developed.

Another built-in value of the program is that once adequate procedures have been installed for assembling the data, only a limited amount of work will be required to maintain its currency and continuity. Also, most of the handling and processing of information will be done by automatic data processing or electronic accounting machine equipment.

In recent years it has become quite apparent that a great and continuing need exists for study and research of all aspects of the unemployment insurance system in the United States. At the same time, there has been a recognition of the growing requirement for a readily available source of information on the labor force experience and characteristics of workers and claimants covered by the State and Federal unemployment insurance programs. That this latter requirement has become more urgent is shown by discussions of pending Federal legislation relating to the unemployment insurance program. These discussions have indicated widespread misinformation about the UI program, and have revealed how little is generally known about the characteristics of workers who collect unemployment compensation. This is true both on a national basis and, in varying degrees, on an individual State basis.

Members of Congress, Governors, and State legislators—as well as employer associations, labor organizations, and other interested parties, including State agency administrators—ask penetrating questions about the UI program, for which there are no ready answers available.

Questions Needing Answers

Some of the questions for which answers can be found through the CWBH program cover broad areas of the program. Questions relating to coverage, for example, would be: How many *different* workers have earnings in covered employment during any given year? How does this figure compare to that for average monthly covered employment? What is the average ratio of base-period to high-quarter earnings? of all workers? by industry? for women? by age groups?

The program also provides information on many significant benefit eligibility questions—for example: At what level should the minimum qualifying requirements for eligibility be set? How many workers, if they were all unemployed at the same time, would be eligible for benefits? On the average, what would their benefit payment amount to for a week? For how many weeks would they collect benefits? What effect would these payments have on the State UI financial reserves?

Other questions concerning the characteristics of claimants that could be answered are: How many of the claimants are married? primary earners? heads of households? How many dependents have they? What are their occupations? their levels of education and training? What are the industries to which they are firmly attached? How long have these claimants worked in insured employment? How often do they change jobs or industries? How many hold one or more jobs? How many collect benefits in successive years? How do the characteristics of workers who file claims differ from those who do not? In what ways are exhaustees different from short-term claimants?

For years, in order to answer such questions, special research studies have been necessary, each of which required the development of study designs and sampling techniques, the preparation of schedules and questionnaires, the compilation of data, the tabulation, the analysis, and the presentation. Then, perhaps in a year or so, the answers were found. By that time, the circumstances that prompted the studies had often disappeared, or at least had lost their urgency. Thus the timeliness and value of these reports had been sacrificed with a high cost in staff time.

The solution to this problem lies in having the answers before the questions are asked—that is, having the data stored in an organized, uniform system so that the answer can be obtained promptly.

Other Uses for Data

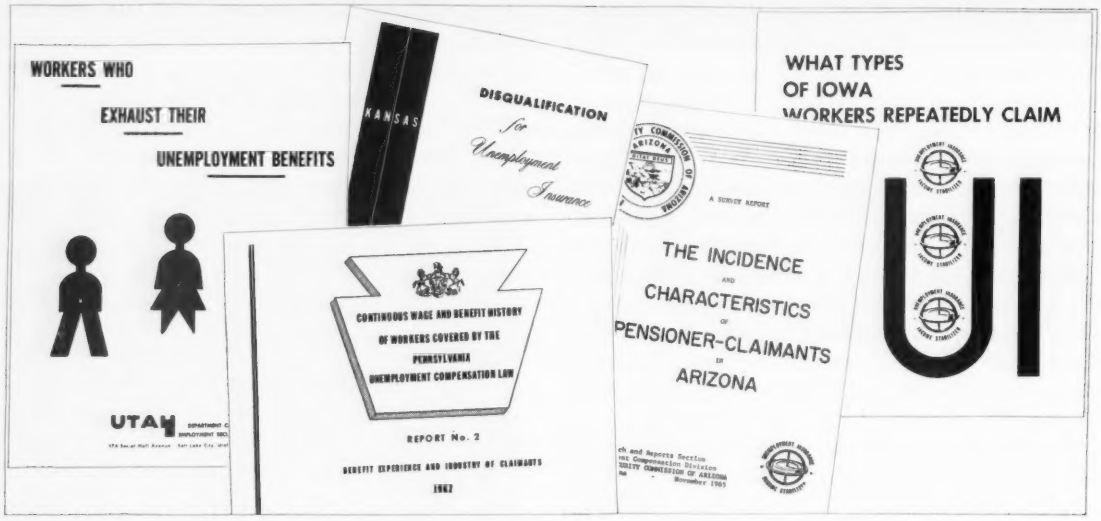
In addition to providing answers to unemployment insurance questions, and to serving as a starting point for many extensive UI research studies, the data stockpiled in CWBH programs will offer unlimited potential for many other analytical projects. For instance, detailed studies of insured workers and claimants over long periods of time would provide valuable information for economic analyses. Not only may past trends be analysed, but their evaluation would be helpful in preparing estimates of the future of the economy.

If adequately coordinated with records of the placement services given to claimants and workers over the years, a CWBH program could create a storehouse of information which could be used in evaluating manpower programs and in planning and shaping policy in this crucial area.

Also, the possible value of a CWBH program in estimating components of the labor force, and in providing a tool for appraising the techniques used in developing such estimates, should not be overlooked. An abundance of data pertaining to the insured unemployed—new entrants and reentrants in the work force, and labor force separations—will be readily available in CWBH files. Movement of workers into and out of insured employment status can be measured. When insured worker and claimant data are tied in with worker data obtained annually from the Social Security Administration, the migratory patterns of these insured workers can be ascertained. This combination may provide a major source of knowledge for research studies about worker mobility.

In time, as CWBH programs develop in all State agencies, many other vital uses of the data, not now apparent, will become evident. Actually, the Bureau and the State agencies are only now beginning to do what could have been done 20 years ago—saving some of the discard, organizing it, and using it in a uniform manner. While progress has been slow in overcoming the lack of data despite the many opportunities that existed to obtain it, some State agencies have well-advanced CWBH programs. Washington, Oregon, and Pennsylvania have had programs underway for a number of years, well before the *Guide* was issued. In addition, 23 other agencies received budget allocations for such programs in fiscal 1966, and are in various stages of planning, perfecting procedures, or assembling wage and claims data. To help maintain this momentum, Bureau technicians have visited many of the agencies from coast to coast, and more visits are planned for the near future. The number of States participating in the program will undoubtedly increase greatly in fiscal 1967.

Of course, a CWBH program cannot provide answers to all the research needs in the various program aspects of unemployment insurance, or solve many other problems in the manpower field. But, as an organized approach to saving and using data that had heretofore been destroyed, it is an important step toward improved UI research. In the Bureau's management and cost reduction plans, the CWBH program has a high priority rating.



UI Research Studies*

THE Bureau will soon issue a bibliography of unemployment insurance program research studies published between January 1951 and December 1965. The bibliography is presented in two listings: By subject area, alphabetically by State within each subject area; and by State, including the District of Columbia and Puerto Rico, from the most recent to the oldest date of issue for each State.

State studies are those published by any part of State government, although most are issued by State employment security agencies. Also included are study reports by nongovernmental facilities, such as universities or private research organizations, if such studies were financed or conducted under the auspices of, or with extensive cooperation of, a State governmental agency. Other Federal Government and nongovernmental studies are included only in the subject area listing.

The bibliography is intended as a ready source of reference for State employment security agencies, public and private research groups, and students interested in conducting unemployment insurance research.

Research studies are continually needed to evaluate the unemployment insurance system and aid in policy formulation both on a State and national level. Many of the older research studies included in the bibliography are factually out of date. They do, however, illustrate a diversity of criteria and methodology.

Unemployment insurance research covers many activities, not all of which are covered in the bibliography. Largely excluded are studies of an actuarial, financial, administrative, or legislative nature. Also not listed are many useful compilations and analyses of statistical data that appear regularly in bulletins and annual reports of the State agencies. A few such studies have been included because of their particular subject or overlapping interest with subject areas. The major subjects of the biliography are Extension of Coverage, Benefit Entitlement, Benefit Structure, Benefit Adequacy, Benefit Duration, Characteristics of Workers and Claimants, and Specific Claimant Groups, with subgroupings within these groups.

In 1965, the State agencies published 70 reports of UI research studies, exclusive of those on benefit financing. Space limitations preclude publishing summaries of all of these studies here. However, the following summaries of a few of these

*Prepared in the Division of Program Studies, Office of Program Development and Legislation, Unemployment Insurance Service, Bureau of Employment Security.

reports reflect the variety of subjects listed in the forthcoming bibliography.

Extension of Coverage—Ohio

Extension of Coverage Under the Ohio Unemployment Compensaton Law (July 1965), prepared by the Division of Research and Statistics, Bureau of Unemployment Compensation, Columbus, Ohio.

This study was made to determine the number and type of workers who are excluded from coverage under the Ohio Unemployment Compensation Law, and to evaluate financing and administration problems involved in extending coverage to them. Based in part on data from other studies, the report examines three groups of such workers: (1) Employees of small-sized firms (less than three workers at any one time); (2) State and local government employees; and (3) employees of nonprofit organizations.

It was estimated, as of March 1964, that there were 80,000 workers in small-sized firms, 348,000 in State and local government, and 167,000 in nonprofit organizations. Inclusion of these groups under the Ohio law, excepting individuals such as teachers, elected or appointed officials, and members of religious orders (standard exclusions in the laws of most States covering such workers) would increase employee coverage in Ohio by about 15 percent. This increment would increase the number of employer accounts by roughly two-thirds, of which four out of five would be those with fewer than three workers.

Employees of small-sized firms.—Over 90 percent of firms with less than three employees were in services; wholesale and retail trade; or finance, insurance, and real estate. Experience of covered employers in these sectors suggested relative stability in employment. In general, however, small-sized firms in the past have had a higher incidence of unemployment and have cost more in employee benefits than they have paid in employer contributions. Moreover, there would probably be additional agency administrative costs and difficulties in extending coverage because of a modest rise in benefit claims and a substantial increase in employer reports. For example, smaller employers with less adequate records and no specialized staff would require more correspondence, especially with respect to quarterly tax collections.

State and local government workers.—Over one-half of the States provide some form of unemployment insurance coverage to State and local government employees. Experience in some of these States indicates that the cost of providing unemployment benefits to such government workers tends to be lower than corresponding costs for nongovernment employees. Although State and local government beneficiaries experience somewhat longer unemployment than all beneficiaries as a group, they generally receive lower average weekly benefit payments. Coverage of State workers, limited to Ohio's classified civil service employees, would involve about 64 percent of the total of some 69,000 State workers. The cost rate for unemployment insurance for such workers, based on other States' experience, would be substantially below that for all beneficiaries. Had State workers in Ohio been covered in 1963, their benefit costs would have approximated one-half of 1 percent of the total benefits paid in Ohio that year.

Of those employed by local governments in Ohio (about 276,000 workers), roughly three-fifths may be included in unemployment insurance coverage, provided instructional staff of public schools and municipal universities as well as elected and appointed public officials were excluded. Limited coverage of local government units in other States precludes any comprehensive cost rate data for such workers.

Workers in nonprofit organizations.—Nearly one-half of Ohio's approximately 167,000 workers in nonprofit organizations are employed in hospitals and other health services. Private (including parochial) schools and religious organizations employ about 70,000, of whom about one-third are teachers and members of religious orders. The amount of involuntary unemployment appears to be considerably less among workers in nonprofit organizations than in industry generally. In addition, because of the temporary and seasonal nature of much of their work, it is likely that the earnings or employment of many of these workers would not be sufficient to meet Ohio's qualifying requirements. Benefit costs for separated employees of nonprofit organizations, therefore, should be relatively low. Financing coverage of employees in nonprofit organizations on a basis other than by contributions on payrolls has been suggested. One such proposal is to reimburse the States for the actual costs.

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Monetary Disqualifications—West Virginia

Unemployment Benefit Entitlement Study (February 1965), prepared by the Research and Statistics Division, West Virginia Department of Employment Security, Charleston, W. Va.

This study was based on a 2-percent sample of wage items submitted with quarterly employer contribution reports. Some 440,000 different persons worked in covered employment in West Virginia at some time during 1962, developing a ratio of 1.4 of the average monthly covered employment of 315,000 in that State.

The data were analyzed with respect to experience of workers who earned less than $2,000 in 1962, and were checked against the wage records of 1961 and 1963 to see if they had earnings in either of those years. One-third had earnings in all 3 years.

The report noted the following patterns in 1962—

Annual wages were no less than one and one-half times high-quarter wages for 76 percent of the workers.

Two-thirds of the workers had annual wages equal to or higher than twice their high-quarter earnings.

Most workers (90 percent) remained in one industry; most of the balance worked in no more than two industries. Construction workers often took one or more jobs outside that industry.

About 58 percent of the covered workers earned wages in all four quarters.

Workers from manufacturing had the most employment; 71 percent had wages in all four quarters. In contrast, only one-third of the workers from construction had wages in all four quarters, and one-fourth had wages in just one quarter.

The mean wage of workers in 1962 was $3,420, the median $2,910. Some 40 percent of all workers earned less than $2,000; 23 percent earned less than $700.

Highest earnings were in the manufacturing division, with a mean of $4,580 and a median of $4,460; lowest wages were in the services division, with a $1,740 mean and a $1,100 median.

About one-third of the workers had their highest quarterly wages in the fourth quarter. However, workers in mining and construction had heaviest concentrations of wages in the second and third quarters, respectively.

The study found that in the 3-year period—

The majority of workers (70 percent) had wages in all 3 years; 8 percent had earnings in 1962 only; and the remaining 22 percent worked in covered employment in 2 out of the 3 years, either 1961–62 or 1962–63.

Of those with wages in all 3 years, 86 percent had the same principal industry in each of those years.

Of those who worked in all 3 years, 56 percent had wages in all 12 quarters; another 14 percent had earnings in 11 of the 12 quarters.

Two-thirds of the workers with wages in all 3 years had 1962 annual earnings that were two or more times their high-quarter wage; four-fifths of these workers also had wages in a similar pattern both in 1961 and 1963.

One-third of the workers with wages in each of the 3 years had a ratio of annual earnings that was less than twice their high-quarter wages in 1962. For these workers, nearly four-fifths had similarly low earnings ratios in both 1961 and 1963.

With respect to workers with earnings of less than $2,000 per year, the report found—

Out of every 10 workers in 1962, 4 had annual earnings of less than $2,000. More than half of these workers were employed principally in trade (41 percent) or services (17 percent); and another 20 percent were about equally divided between construction and mining.

There were 2,703 workers who had annual earnings of less than $2,000 in any year they worked during the 3-year period studied. Of these, 25 percent had earnings only in 1962, another 42 percent had earnings in 2 of the 3 years (about evenly divided between 1961–62 and 1962–63), and 33 percent had such earnings in all 3 years. In contrast, 86 percent of workers with earnings of over $2,000 in at least 1 year had earnings in all 3 years; nearly all of the other 14 percent had earnings in 2 of the 3 years.

Nonmonetary Disqualifications—Tennessee

Disqualifications under the 1963 Amendments to the Tennessee Employment Security Law (July 1965), prepared by the Research and Statistics Section, Tennessee Department of Employment Security, Nashville, Tenn.

This report was based on data from the records of the 8,647 claimants in Tennessee who were disqualified during the period October 1963 through

September 1964. Of these claimants, 53 percent were men.

Slightly over half (51 percent) of the male claimants were disqualified from receiving benefits because they were discharged from work—21 percent for absenteeism, 13 percent for insubordination, and 13 percent for other reasons. In contrast, 17 percent of the female claimants were disqualified because they were discharged for cause.

Generally, female claimants (65 percent) were disqualified because they quit their jobs (43 percent because of personal reasons, usually pregnancy). In contrast, 30 percent of the male claimants quit their jobs, primarily because of dissatisfaction.

Nearly half (49 percent) of the study claimants were employed previously in manufacturing industries; trade (26 percent) and services (11 percent) ranked next.

Most claimants (73 percent) had only one base-period employer.

Almost 60 percent of all disqualified claimants could have qualified for 26 weeks of benefits—the maximum duration. The average potential duration was 23 weeks.

Nearly two-thirds of the disqualified claimants had wages in covered employment in all four quarters of their base period. Fewer than 10 percent of them had wages in less than three quarters.

Slightly more than 5 percent of the claimants who were initially disqualified and included in this study later received unemployment benefits because they appealed and won reversal of the disqualifying decision. Among those claimants who voluntarily quit their jobs for whatever reasons, relatively few won reversals. However, 15 percent of those discharged for unsatisfactory work and 11 percent of those discharged for "other" reasons secured reversals, indicating that the reasons given by employers for terminating employment are often incomplete or ambiguous.

Nonmonetary Disqualifications—Kansas

Disqualification for Unemployment Insurance (June 1965), prepared by the Research and Statistics Department, Employment Security Division, Kansas Department of Labor, Topeka, Kans.

In this report, eight specific disqualification issues were analyzed by age, industry, occupation, marital status, and weekly benefit amount for the period from September 1962 through August 1963. (These issues were refusal of suitable work, voluntary quit, domestic responsibilities, self-employment, retirement, attendance at school, ordinary misconduct, and gross misconduct.) The data account for 45 percent of all determinations denying benefits for nonmonetary reasons. The findings should be taken as representative of claimants disqualified under these issues only, rather than of all disqualified claimants.

Generally, the Kansas law provides a uniform, temporary 7-week disqualification period, although for certain types of voluntary quits and for "gross" misconduct the disqualification lasts until the claimant becomes reemployed and earns at least eight times his weekly benefit amount. The disqualification does not reduce the claimant's overall benefit entitlement during his benefit year, and the waiting-period week may be served during the disqualification period.

Disqualification issues differed markedly for men and women. *Voluntary quits* and *discharge for misconduct* accounted for more than two-thirds of the disqualifications among men. Such issues were far less important among women for whom *domestic responsibilities* (excluding pregnancy) was the main issue, accounting for half of their disqualifications.

Characteristics.—Sixty percent of the disqualifications were among men. However, men accounted for 70 percent of all claimants, indicating that women, measured by their share of all claimants, accounted proportionately for more of the disqualifications studied than did men. Disqualified claimants were generally younger than the average age of all claimants. Trade and service industries had disproportionately higher numbers when compared to the total claimant universe. Construction workers, on the other hand, accounted for only 1 out of 10 disqualified claimants, compared with 3 out of 10 of all claimants. Compared with all claimants, clerical, sales, and service occupations were overrepresented, while skilled and unskilled workers were underrepresented, among the disqualified claimants. The weekly benefit amount of disqualified claimants tended to be lower than among all claimants.

Labor force status 8 weeks after disqualification.—Mail questionnaires to claimants regarding their work status in the eighth week after disqualification revealed that one-third were reemployed,

about 1 in 10 had withdrawn from the labor force, and 57 percent remained unemployed.

More than a third (35 percent) of the claimants who reported they were working in the eighth week were no longer working in occupations with their primary occupation code. The proportions varied considerably by occupational group and by sex. Among men, 42 percent had changed job codes; among women, 23 percent. There were sharp changes in every occupational group among men. The greatest change was among men with former clerical and sales occupations—54 percent no longer had this occupational classification. About 50 percent of both men and women with former professional and managerial occupations reported work in new occupational classifications. Least change of all was reported by women with service occupations—nearly 90 percent retained their same occupational classification.

Benefits received.—Nearly half of the study claimants (46 percent) received no benefits in their current benefit year; 9 percent drew benefits only before disqualification and 8 percent drew benefits both before and after disqualification; the remaining 37 percent of claimants received benefits only after serving their disqualification. Compared to 22 percent of all claimants, 14 percent of disqualified claimants exhausted their benefit entitlement in their current benefit year.

There was a marked difference in the rate of exhaustion between disqualified claimants assessed a 7-week disqualification and those assessed a more severe penalty (one which disqualified the individual for benefits until he again became employed and had additional earnings of at least eight times his weekly benefit amount). This latter type of disqualification was imposed against about two out of every five study claimants.

Over three-fourths (79 percent) of claimants with the duration-of-unemployment type disqualification drew no benefits whatever in their benefit year, and only 3 percent subsequently exhausted their benefit entitlement. In contrast, only one-fourth of claimants with a 7-week disqualification failed to receive benefits, and 20 percent exhausted their benefit entitlement.

Benefit Experience—Pennsylvania

Continuous Wage and Benefit History of Workers Covered by the Pennsylvania Unemployment Compensation Law. Report No. 2, Benefit Experience and Industry of Claimants, 1962 (September 1965), prepared by the Department of Labor and Industry, Bureau of Employment Security, Harrisburg, Pa.

This is the second of a series of reports by the Pennsylvania agency utilizing data compiled for their continuous wage and benefit history program.* It covers calendar year 1962 and benefit years that began in 1962 and ended in 1963. The personal and economic characteristics of claimants are compared with those of all insured workers. Data for calendar year 1962 are also compared with similar claimant information for 1960 and 1961. As a supplement to the study, data were compiled for claimants who received extended benefits under the Federal Temporary Extended Benefit Program (TEUC) during the period from April 1961 to July 1962.

Of the estimated 3,713,000 different workers covered under the Pennsylvania UC law in 1962, 618,000 (17 percent) filed monetarily eligible claims for benefits during 1962. In 1961 and 1960, the proportions were 19 percent and 18 percent, respectively.

Two-thirds of these claimants were males. The median age for men was 41.3 years, compared with 42.6 years for women.

Forty-five percent of the claimants had two or more spells of unemployment during their benefit years. Of the claimants from the apparel industry, 66 percent had more than one spell of unemployment; the construction industry was second at 54 percent; mining followed at 50 percent; and electrical machinery was lowest at 27 percent.

Claimants generally last worked in manufacturing—60 percent compared to 40 percent in nonmanufacturing. Of every 100 factory workers, 21 filed eligible claims for benefits during 1962, compared to 13 out of every 100 nonfactory workers. Mining ranked highest among the major industries, with 46 percent of the workers filing for benefits, followed by apparel with 36 percent and contract construction with 36 percent. Finance, insurance, and real estate was the lowest category, with 4.4 percent.

Fourteen percent of the workers who filed eligible new claims never drew benefits, primarily because they returned to work. The median number of payments drawn by claimants was 11.4, compared to Pennsylvania's uniform entitlement of

*The first report, "Taxable Wages and Industry of Covered Workers," was released in March 1965.

30 full weeks of benefits. Men drew 12.1 weeks; women, 10.3. One-third of the claimants drew fewer than 5 payments, and two out of three drew fewer than 20 payments.

Beneficiaries received an average weekly benefit amount (WBA) of $33.03. While 65 percent of the male claimants were eligible to draw the maximum weekly benefit amount of $40, only 15 percent of the female claimants qualified for that amount.

Claimants averaged $425 in benefit payments during their benefit years. Men drew an average of $476, compared to $331 for women. Only 1 out of 15 claimants actually drew the maximum benefit entitlement of $1,200. Less than $200 was drawn by 41 percent, and 57 percent received under $400. The amount of benefits received increased with age, rising from an average of $326 for workers under age 25 to $780 for those 65 and over. Since the average WBA shows only slight variation by age group, the increase in total benefits received at higher age levels is probably due to the difficulty for older claimants in finding new employment, and their longer tenure on the claims rolls. Claimants 65 and over drew a median number of 28 payments, compared to the average of 11.4 median payments for all age groups.

Thirty-eight percent of the claimants filed for partial benefit payments at some time during their benefit years. Apparel ranked first, with 72 percent of the industry's claimants filing for at least 1 week of partial benefits at some time during their benefit years; the textile industry was second at 50 percent; and the chemical industry was lowest at 23 percent.

Eighteen percent of the claimants exhausted all benefits. This ratio was the same for both male and female. Among the major industry groups, the range was from 1 out of 3 in nonelectrical machinery to 1 out of 20 in apparel.

An estimated 198,200 workers, representing approximately 5 percent of Pennsylvania's covered work force, filed for extended benefits under the TEUC program from April 1961 to July 1962. Although not directly comparable to regular UI claimants on a calendar year basis, the supplementary report provided information concerning the industrial distribution and amount of extended benefits received by this group. The average amount of TEUC benefits drawn was $253, with the majority of the claimants qualifying for 9 weeks of benefits.* Almost 64 percent of these claimants exhausted all benefit rights during the effective period. The distribution of TEUC claimants was similar to that of UC claimants in that the majority (56.5 percent) came from manufacturing industries. Primary metals accounted for the highest number of TEUC claimants, with 20.4 percent.

Benefit Duration—Utah

Workers Who Exhaust Their Unemployment Benefits (September 1965), prepared by the Department of Employment Security, Salt Lake City, Utah.

Exhaustees in calendar year 1961 were surveyed individually at 2-month intervals for a 12-month period, following their exhaustion of unemployment benefits, to determine their labor force status—employed, unemployed, or withdrawn from the labor force. The proportion employed full time rose from 25 percent at the end of 2 months to 46 percent at the end of 6 months, and thereafter increased slowly to 53 percent at the year's end. The proportion employed part time decreased steadily from 22 percent at the end of 2 months to 12 percent at the end of the year. The proportion withdrawing from the labor force increased from 8 percent at 2 months to 17 percent at 6 months, and thereafter leveled off to 19 percent at 12 months. The proportion remaining unemployed decreased from 45 percent at 2 months to 17 percent at 6 months, and stabilized thereafter at this level. Most of the change in the labor force status of exhaustees occurred in the earlier months following their exhaustion of unemployment benefits, with generally more women than men leaving the labor force.

Compared with all beneficiaries, a greater proportion of the exhaustees surveyed had the following characteristics:

They were older. Relatively more exhaustees, particularly men, were 55 years or older; fewer exhaustees were less than age 25.

They worked in clerical or unskilled occupations. More exhaustees, particularly women, were in clerical occupations (7 percent), and more of both men and women were unskilled (7 percent); fewer skilled workers (mostly men) and female service workers exhausted benefits (7 percent for each).

*Pennsylvania's maximum duration is 30 weeks. Although extended benefits under the TEUC program were set at a maximum of 13 weeks, the combined total under Federal and State programs could not exceed 39 weeks.

They had been previously employed in manufacturing, particularly of nondurable goods. Comparatively more exhaustees, particularly women, were last employed in nondurable manufacturing (6 percent), and fewer last worked in construction (8 percent).*

They had fewer weeks of benefit protection. There were 58 percent of the exhaustees, but only 30 percent of the claimants, who had benefit protection of less than 20 weeks; on the other hand, 46 percent of the claimants, but only 20 percent of the exhaustees, had benefit protection exceeding 29 weeks. (Utah's maximum is 36 weeks.)

They received lower weekly benefit amounts. Only 31 percent of the exhaustees had a weekly benefit amount of more than $40, compared to 56 percent of all claimants.

They had lower base-period earnings. Only 47 percent of the claimants, but 74 percent of the exhaustees, had base-period earnings of less than $3,000.

They had similar numbers of employers in the base period, except that among women relatively more exhaustees than claimants had only one employer (78 percent, compared with 68 percent).

Pensioners—Arizona

The Incidence and Characteristics of Pensioner-Claimants in Arizona (November 1965), prepared by the Research and Reports Section, Unemployment Compensation Division, Employment Security Commission of Arizona, Phoenix, Ariz.

Arizona intrastate claimants who filed during the week of October 11–15, 1965, were surveyed to ascertain (1) the number of pensioners among unemployment insurance claimants, (2) the type and amount of their retirement pension, (3) the sex, age, and employment experience of both pensioners and nonpensioners, and (4) the sources of support available to claimants and their families.

The report indicated that 10 percent of all respondents were receiving retirement pensions. Of these, 43 percent received a military pension; 42 percent, social security; and 16 percent, some other type pension (governmental or nongovernmental). These figures differ from the findings of the TEUC Family Characteristics Study surveys of 1961–62, which showed that only 5 percent of Arizona's regular program claimants (intrastate) were receiving a retirement pension, primarily social security (three out of five).

The questionnaire used in the Arizona study of pensioner-claimants did not specify that pension information meant only retirement pensions, and it seems that claimants included pensions other than retirement (such as disability, particularly service-connected).

Claimants who receive pensions in Arizona are not typical of pensioner-claimants in most other States. For example, comparatively few Arizona claimants (about 5 percent) were receiving pensions based on previous earnings from Arizona employers. Attracted into Arizona by the climate, facilities for military retirees, and other such considerations, many ex-military personnel and social security recipients apparently qualified for unemployment insurance benefits.

Moreover, Arizona's military pensioners are younger than pensioners generally. Only 14 percent of those receiving military pensions were age 55 or over—37 percent were less than 45. In contrast, 92 percent of the social security recipients, 69 percent of the government pensioners, and 86 percent of the nongovernment pensioners were at least 55 years of age.

Also, the amount of military pensions was generally higher than that of other pensions. For example, 83 pensioners (18 percent of the pensioner total) had pension income of $250 or more per month; of these, 71 percent were receiving military pensions.

Repeaters—Iowa

What Types of Iowa Workers Repeatedly Claim Unemployment Insurance? (May 1965), prepared by the Research and Statistics Division, Iowa Employment Security Commission, Des Moines, Iowa.

The critical assertion is often made that the same people receive benefits year after year. This study looked at the problem over a period of 4 years, 1959–62. During this time, 140,260 persons filed for unemployment benefits in Iowa. Of these claimants, only 3.5 percent filed in each of the 4 years; 8 percent filed in 3 out of the 4 years;

*The figures regarding occupation and industry of beneficiaries and exhaustees—as the report points out—do not tell the entire story. When compared with the labor force (1960 census), industries most subject to seasonal fluctuations (firms engaged in contract construction and in manufacturing clothing and foodstuffs) furnished a disproportionate amount of workers who filed for unemployment insurance benefits. Blue-collar workers had far more representation among both claimants and exhaustees than among those in the labor force. Employment among clerical and sales workers was relatively stable.

21 percent filed in 2 of the 4 years; and 67 percent, in only 1 of the 4 years.

It was ascertained that about one-third of the claimants were repeaters during the 4-year period. However, the frequency of repeat varied. The characteristics data relating to industry attachment and sex of claimants reveal some marked differences between repeaters and nonrepeaters.

Claimants attached to construction or manufacturing industries were more apt to be repeaters. The largest number of both repeaters and nonrepeaters last worked in manufacturing industries. However, 53 percent of all repeaters, compared with 48 percent of nonrepeaters, were from manufacturing industries. A breakdown of industry groups within manufacturing is not provided in this report.

The second largest group of repeaters were those formerly attached to construction industries. Such claimants accounted for 25 percent of repeaters. In contrast, only 16 percent of nonrepeaters were formerly attached to construction industries. Former wholesale and retail trade workers accounted for only 12 percent of repeaters but 22 percent of nonrepeaters—a reversal of the patterns above.

Men accounted for 74 percent of repeaters and for 73 percent of nonrepeaters during the study period. Large numbers of men from the seasonal construction industry weighed heavily among second-, third-, and fourth-year repeaters. Among men who filed claims in all 4 years, nearly three-fifths were former construction workers. Only 22 percent of men nonrepeaters were last engaged in construction activities. The proportion of women repeaters tended to be heavily concentrated in manufacturing. The report suggested that these women are largely associated with the food processing industry, although such detail is not provided in the tables. Among 4-year repeaters from manufacturing, 61 percent were women. Of all women who were beneficiaries in all 4 years, over three-fourths (77 percent) formerly worked in manufacturing. In contrast, only 47 percent of women nonrepeater claimants formerly worked in manufacturing.

UI Financing in Calendar Year 1965

*Paschal C. Zecca**

THE financial developments of the State unemployment insurance programs reflected significant improvements in calendar year 1965. The continuing expansion of the economy over the past 5 years has contributed to these gains. The $2.2 billion in benefit expenditures during calendar year 1965, a decrease of 14.1 percent from 1964, represented a national cost rate of 1.53 percent of taxable wages and 0.88 percent of total wages, compared with 1.85 percent and 1.05 percent, respectively, for the preceding year (tables 1–3). The 1965 cost rate, on each basis, was the lowest in 9 years (since 1956 when benefit payments totaled $1.4 billion).

Tax collections of $3.1 billion were an alltime high, although the gain over last year was slight—only 0.2 percent, compared with the previous year's rate gain of 0.9 percent. Tax collections for the past several years have represented decreasing average employer tax rates when based on taxable wages, from 2.36 percent in 1962 to an estimated 2.1 percent in 1965; on the basis of total wages, the average tax rates decreased from 1.39 percent in 1962 to an estimated 1.2 percent in 1965. The high level of tax collections has therefore been sustained, in part, by the growth in payrolls.

Interest earnings on invested funds, which are credited to the Unemployment Trust Fund and constitute another source of income to the various State fund balances, amounted to $265.8 million.

These financial transactions, including some small supplementary items of income and outgo, resulted in an excess of total income over total disbursements of $1.1 billion, or 14.5 percent, in

*Office of Actuarial and Financial Services, Unemployment Insurance Service, Bureau of Employment Security.

TABLE 1. NONINSTITUTIONAL POPULATION, THE LABOR FORCE,

Calendar Year	CIVILIAN POPULATION AND LABOR FORCE 1/ (average monthly number of persons in millions)							SELECTED UNEMPLOYMENT			
	Population	Labor force	Employed			Unemployed	Not in labor force	Average monthly covered employment (in millions)	Wages in covered employment (in millions)		Average weekly insured unemployment (in millions)
			Total	Nonagricultural	Agricultural				Total	Taxable	
1954...	112.9	64.5	61.2	54.7	6.5	3.2	48.4	35.4	$137,069	$96,539	1.86
1955...	114.3	65.8	63.2	56.5	6.7	2.7	48.5	36.6	148,638	101,575	1.25
1956...	115.9	67.5	65.0	58.4	6.6	2.6	48.3	39.0	164,508	109,816	1.21
1957...	117.6	67.9	65.0	58.8	6.2	2.9	49.7	39.7	173,644	112,826	1.45
1958...	119.3	68.6	64.0	58.1	5.8	4.7	50.7	38.1	171,521	109,144	2.51
1959...	120.8	69.4	65.6	59.7	5.8	3.8	51.4	39.5	186,897	115,272	1.68
1960...	122.9	70.6	66.7	61.0	5.7	3.9	52.2	40.2	195,086	119,260	1.91
1961...	125.3	71.6	66.8	61.3	5.5	4.8	53.7	40.1	199,044	119,371	2.29
1962...	127.3	71.9	67.8	62.7	5.2	4.0	55.4	41.3	212,576	125,497	1.78
1963...	129.4	73.0	68.8	63.9	4.9	4.2	56.4	42.0	222,979	129,586	1.79
1964...	131.4	74.2	70.4	65.6	4.8	3.9	57.2	43.2	239,159	136,326	1.61
1965...	133.5	75.6	72.2	67.6	4.6	3.5	57.9	3/	3/	3/	1.33

1/ Excludes inmates of institutions, persons under 14 years of age, and members of the Armed Forces.

calendar year 1965, compared with a net amount of $658 million for 1964. These amounts represented the net accretions to the trust funds, increasing State reserve funds from $7.3 billion on December 31, 1964, to $8.4 billion on December 31, 1965.

The significant improvement in the unemployment insurance financial situation is reflected in a number of measures. Average weekly insured unemployment (which includes waiting-period claims) fell from 1.6 million in 1964 to 1.3 million in 1965—the lowest in 9 years. This represented an estimated average rate of insured unemployment of 3.0 percent, compared with 3.8 percent in 1964. Marked declines occurred in the average weekly number of beneficiaries—to 1.1 million, a decline of nearly one-fourth of a million, or 18 percent, over the previous year; and in the number of first payments (the approximate number of different beneficiaries receiving one or more benefit payments) to 4.8 million, a drop of nearly 700,000, or 13 percent.

The average beneficiary under the State programs drew 12.2 weeks of benefits during 1965, compared with 13.0 weeks in 1964. The number of beneficiaries who exhausted their benefits dropped by over one-fourth of a million over the year, to 1.1 million. The average benefit check for total unemployment increased by $1.23 to $37.19. (The benefit check for partial unemployment, accounting for nearly 9 percent of all benefit checks in 1965, averaged $22.53 in 1965—up $1.21 from 1964.) [1]

These improvements for the Nation as a whole were, of course, not shared equally by all the States. There were wide variations, which indicated in large part the different economic forces that operated in the States. Some of the variations could also be attributed to differences in the State programs, particularly in the eligibility and benefit provisions.

State Differences

Benefit payments.—Only seven States paid out more in benefits in 1965 than in 1964 (table 4). The largest relative increase occurred in Arizona—18.6 percent. In six of these States, joblessness was relatively heavy (Alaska, Arizona, California, Nevada, North Dakota, and in Puerto Rico, where the average rate for the year was at least 4.0 percent of the covered work force, compared with the national average of 3.0 percent).

[1] For a more detailed discussion of some of these data, see "Unemployment Insurance Trends in 1965" *Unemployment Insurance Review* (January–February 1965).

INSURANCE DATA, STATE PROGRAMS

Average weekly number of beneficiaries (in millions)	Benefit Payments				UI Financial Operations (amounts in millions)				Calendar Year
	Average weekly amount 2/	Average actual duration (weeks)	First payments (in millions)	Final payments (exhaustions, in millions)	Collections	Interest credited	Benefits paid	Reserve funds available, Dec. 31	
1.61	$24.93	12.8	6.59	1.77	$1,136.2	$198.6	$2,026.9	$8,219.1	...1954
1.08	25.04	12.4	4.51	1.27	1,208.8	185.0	1,350.3	8,263.9	...1955
1.02	27.02	11.4	4.66	.98	1,463.3	199.6	1,380.7	8,573.6	...1956
1.23	28.17	11.6	5.72	1.14	1,544.3	220.4	1,733.9	8,662.1	...1957
2.22	30.54	14.8	7.83	2.50	1,471.0	199.0	3,512.7	6,952.7	...1958
1.46	30.40	13.1	5.82	1.67	1,955.7	177.9	2,279.0	6,892.2	...1959
1.64	32.87	12.7	6.75	1.60	2,288.5	194.5	2,726.7	6,643.3	...1960
2.00	33.80	14.7	7.07	2.37	2,449.7	176.1	3,422.7	5,802.0	...1961
1.53	34.56	13.1	6.07	1.64	2,952.1	173.4	2,675.4	6,272.9	...1962
1.54	35.28	13.3	6.04	1.57	3,019.1	194.5	2,774.7	6,648.0	...1963
1.37	35.96	13.0	5.50	1.37	3,047.6	224.8	2,522.1	7,296.2	...1964
1.13	37.19	12.2	4.81	1.09	3,053.5	265.8	2,166.0	8,357.4	...1965

2/ For total unemployment only. 3/ Not available.

Of the 45 States reporting lower benefit payments in 1965, the decreases amounted to 25 percent or more in 15. The largest drop occurred in New Hampshire—41.1 percent.

Measuring benefit payments as percentages of wages (taxable or total) to derive benefit cost rates, the gains (that is, lower rates) in 1965 were equally significant. Benefit cost rates based on total wages rather than on taxable wages provide a more stable measure for comparing benefit costs over periods of time. The ratio of benefits to total wages ranged from 0.33 percent in Iowa and 0.36 percent in Indiana to 1.91 percent in California and 2.07 percent in Puerto Rico. Cost rates were higher than in the previous year in only five States (Arizona, California, Colorado, Nevada, and Puerto Rico). A majority of the remaining States experienced substantial decreases in the cost rate.

Tax collections.—In 34 States, employer tax collections were higher in 1965 than in the previous year. Increases in 28 of these States amounted to less than 10 percent above the previous year; among the remaining 6 States the largest increase occurred in Vermont—30.2 percent. Of the 18 States that experienced decreases in tax collections, the largest decline occurred in Wyoming (27.2 percent) and the next largest in Illinois (23.4 percent). The decrease in Wyoming reflected the impact of the resumption of experience rating in 1965, after it had been suspended for the previous year. The result was that employers were given reduced rates, ranging from 0.6 percent to 3.7 percent, compared with the previous year's rates of 2.7 percent for new employers and 3.2 percent for others. Illinois' experience-rating system, based on the benefit-wage-ratio plan, operated automatically to give employers generally lower tax rates because of the lower State-experience factor used in its formula. Under this type of plan, tax rates change more quickly than under most other plans in effect in the States.

Reserves.—At the end of calendar year 1965, only three States showed decreases in dollar reserves from a year earlier, but the amounts involved were relatively small. Of the States that improved their dollar balances, the largest increases occurred in Pennsylvania (65.3 percent), Ohio (57.6), and Alaska (43.5); each of these States needs to strengthen its fund balance, as indicated by its reserve multiple.

The ratio of reserve funds to total wages also showed significant improvements. Only eight States ended calendar year 1965 with decreased reserve ratios. The ratio of reserves to total wages varied considerably among the States and ranged from 0.69 percent in Minnesota to 6.61 percent in

Puerto Rico. There were 33 States with a reserve ratio in excess of the national figure of 3.39 percent.

Adequacy of Reserve Funds

Comparisons of State fund solvency indicate a substantial improvement over the year, particularly among the States with relatively low reserve multiples (table 5). All of the six States with a reserve multiple of less than 1.0 on December 31, 1964, experienced a substantial gain in their reserve funds for 1965, and this resulted in a somewhat proportionate effect on the reserve multiple. The increases, however, were not so large as to give any of these States an adequate reserve. To raise a reserve multiple of less than 1.0 to an adequate or a nearly adequate level in the course of a year would be an extraordinary accomplishment. For example, to increase the reserve multiple from 1.0 to 1.5, would, on the basis of no change in the high cost figure, require the same relative increase in the reserve level, or 50 percent. Relatively low levels of fund solvency do not develop in the course of a single year. They are generally the result of long-run developments in financial policy. Under such circumstances, therefore, any corrective financial action requires time to achieve significant results under the existing program of financing unemployment insurance.

Of the 17 States that had multiples of 1.0 to 1.4 a year before, only 4 failed to improve their fund solvency position, although the drop in their reserve multiple was quite small (California, Montana, Nevada, and North Dakota). Most of the remaining 13 States had substantial increases in their reserve multiple. Improvements for 24 of the 29 States that had at least the minimum adequate reserve level (1.5 times the highest cost rate in the preceding decade) were for the most part fairly moderate; only 4 States had decreases for the year, but these were States with high reserve multiples (Arizona, the District of Columbia, Nebraska, and Utah), and 1 State had no change (Puerto Rico).

The net result of these movements indicates that on December 31, 1965, 3 States had a reserve multiple of less than 1.0, while 16 States had a reserve multiple of 1.0 to 1.4; on the same date in the preceding year the corresponding figures were 6 and 17 (charts 1 and 2). At the end of 1965, 24 States had a reserve multiple of at least 2.0, compared with 21 States at the end of the preceding year.

The Loan Fund

The Federal Unemployment Account, the source for non-interest-bearing advances to State systems with low reserve funds, had a cash balance of $221,119,817 on December 31, 1965, representing an increase of $73.2 million for the year. (This loan fund is limited to the higher of $550 million or 0.04 percent of the aggregate taxable wages of all States.) Accounting for the over-the-year increase in the loan fund were (1) repayment of outstanding indebtedness amounting to $21.6 million, (2) interest earnings on the total assets of the loan fund amounting to $12.6 million, and (3) excess Federal tax collections during fiscal year 1965 of $39.0 million.

No advances have been made since April 1, 1959. Total repayments through December 31, 1965, by the three States which had borrowed from the loan fund, totaled $71.0 million—leaving a balance of $162.8 million in advances still outstanding.

TABLE 2. SUMMARY OF FINANCIAL ACTIVITIES OF STATE UNEMPLOYMENT INSURANCE FUNDS, CALENDAR YEAR 1965
[In thousands]

State	Available reserve fund as of Dec. 31, 1964 1/	Revenue during year				Disbursements during year				Available reserve fund as of Dec. 31, 1965 1/
		Total revenue	Contributions collected 2/	Interest earned	Transfers to State accounts 3/	Total disbursements	Benefits paid	Penalties and interest 4/	Transfers out of State accounts 5/	
United States...	$7,296,220	$3,333,146	$3,053,463	$265,819	$13,864	$2,272,010	$2,166,004	$132	$105,874	$8,357,356
Alabama.....	78,858	31,155	28,017	3,053	85	18,867	16,191	--	2,676	91,146
Alaska.....	11,267	10,421	10,258	163	--	5,520	5,520	--	--	16,168
Arizona.....	66,486	15,709	13,388	2,296	25	16,887	16,887	--	--	65,308
Arkansas.....	28,862	16,318	15,253	1,038	27	12,083	12,011	1	71	33,097
California.....	656,011	537,352	507,347	22,530	7,475	533,674	533,674	--	--	659,689
Colorado.....	57,436	17,904	15,637	2,058	209	12,546	12,546	--	--	62,794
Connecticut.....	180,068	60,218	53,527	6,691	--	35,171	35,148	23	--	205,115
Delaware.....	19,558	9,959	9,193	765	1	5,061	5,061	--	--	24,454
Dist. of Col....	63,525	10,722	8,479	2,243	--	9,176	9,176	--	--	65,072
Florida.....	157,086	45,565	39,293	6,015	257	20,467	20,145	--	322	182,184
Georgia.....	173,934	39,769	33,158	6,540	71	15,809	15,588	--	221	197,894
Hawaii.....	19,282	11,283	10,543	725	15	7,377	7,377	--	--	23,188
Idaho.....	28,351	10,221	9,188	1,033	--	6,125	6,023	--	102	32,447
Illinois.....	489,865	144,762	126,258	17,997	507	89,536	89,497	--	39	545,090
Indiana.....	164,887	51,441	44,805	6,173	463	30,312	25,200	--	5,112	186,016
Iowa.....	112,049	14,286	10,190	3,999	97	8,215	8,215	--	--	118,120
Kansas.....	62,149	18,067	15,736	2,196	135	14,882	14,830	9	43	65,333
Kentucky.....	111,814	32,095	28,018	4,077	--	19,924	19,924	--	--	123,986
Louisiana.....	113,598	38,120	33,756	4,231	133	23,316	23,316	--	--	128,402
Maine.....	30,160	11,597	10,424	1,132	41	6,502	6,502	--	--	35,255
Maryland.....	148,658	60,712	54,944	5,728	40	32,307	29,245	--	3,062	177,062
Massachusetts...	197,936	143,035	135,743	7,253	39	111,283	105,266	--	6,017	229,688
Michigan.....	414,401	185,928	172,199	13,725	4	85,071	58,971	--	26,100	515,258
Minnesota.....	23,031	32,217	30,848	755	614	27,467	27,423	33	11	27,781
Mississippi.....	49,597	21,637	19,594	1,963	80	7,645	7,645	--	--	63,591
Missouri.....	220,055	52,462	43,957	8,066	439	31,445	31,109	--	336	241,074
Montana.....	20,034	6,192	5,506	666	20	6,139	6,139	--	--	20,087
Nebraska.....	42,119	8,926	7,451	1,452	23	8,739	8,609	--	130	42,305
Nevada.....	29,407	11,251	10,228	1,023	--	11,289	11,289	--	--	29,369
New Hampshire...	25,968	8,836	7,828	976	32	3,975	3,973	2	--	30,830
New Jersey.....	292,330	148,591	138,223	10,368	--	124,163	124,163	--	--	316,758
New Mexico.....	35,109	7,993	6,733	1,234	26	7,221	7,221	--	--	35,882
New York.....	1,172,276	519,837	476,104	43,240	493	386,242	365,907	--	20,335	1,305,870
North Carolina..	217,091	53,830	45,764	8,066	--	25,852	25,852	--	--	245,069
North Dakota....	7,608	5,775	5,541	234	--	5,666	5,666	--	--	7,716
Ohio.....	232,727	207,722	196,738	10,281	703	73,566	73,372	1	193	366,882
Oklahoma.....	44,270	18,822	17,194	1,628	--	13,417	13,417	--	--	49,676
Oregon.....	85,861	35,046	31,845	3,156	45	22,425	22,425	--	--	98,481
Pennsylvania....	238,641	312,938	304,675	8,057	206	157,114	118,816	--	38,298	394,465
Puerto Rico.....	50,708	21,787	19,880	1,900	7	17,305	17,305	--	--	55,189
Rhode Island....	46,246	23,277	21,495	1,782	--	13,787	11,744	--	2,043	55,737
South Carolina..	86,855	23,007	19,719	3,233	55	11,928	11,928	--	--	97,933
South Dakota....	15,132	2,747	2,230	517	--	2,595	2,595	--	--	15,284
Tennessee.....	87,062	46,175	42,665	3,404	106	22,967	22,882	--	85	110,270
Texas.....	237,923	64,801	55,852	8,596	353	46,907	46,817	--	90	255,817
Utah.....	38,274	11,514	10,213	1,301	--	12,382	12,382	--	--	37,406
Vermont.....	6,793	6,203	5,955	248	--	4,262	4,257	5	--	8,734
Virginia.....	136,919	25,093	19,864	5,034	195	10,102	10,102	--	--	151,910
Washington.....	199,861	63,048	55,636	7,270	142	46,412	46,379	33	--	216,498
West Virginia...	59,713	16,627	14,464	2,130	33	12,522	12,499	23	--	63,818
Wisconsin.....	199,935	55,369	47,442	7,259	668	35,527	34,941	--	586	219,777
Wyoming.....	8,436	4,783	4,465	318	--	2,836	2,836	--	--	10,383

1/ Represents sum of balances at end of month in States' clearing account and benefit-payment account, and in State Unemployment Trust Fund Account in the U. S. Treasury; State Unemployment Trust Fund balance in U. S. Treasury includes amounts credited to States' accounts in the Unemployment Trust Fund under the provisions of the Employment Security Administrative Financing Act of 1954 as amended. Includes outstanding advances from Federal account in Unemployment Trust Fund as follows:

Dec. 31, 1964		Dec. 31, 1965	
Alaska.....	$8,084,385	Alaska.....	$7,888,178
Michigan.....	89,488,969	Michigan.....	80,787,298
Pennsylvania...	86,831,000	Pennsylvania...	74,131,000

2/ Data represent contributions, penalties, and interest from employers, and contributions from employees in three States (Alabama, Alaska, and New Jersey) which tax workers. Adjusted for refunds and for dishonored contribution checks.

3/ Includes amount of reimbursements from the Federal Extended Compensation Account (TEC Act 1961), Manpower Development and Training Act of 1962, and the Temporary Unemployment Compensation Act of 1958 to the Unemployment Trust Fund Account.

4/ Represents penalties and interest collected from delinquent employers and transferred to States' special administrative fund.

5/ Includes funds withdrawn from the Unemployment Trust Fund for administration and for restoration of funds made available to the States in 1958 under the Temporary Unemployment Compensation Act of 1958 (TUC).

TABLE 3. SELECTED FINANCIAL DATA ON STATE UNEMPLOYMENT INSURANCE PROGRAMS, CALENDAR YEARS 1964 AND 1965
BENEFITS, RESERVES, AND EMPLOYER TAX RATES

State	Tax base $3,000 except as shown, with effective dates [1]	Average employer tax rate: Contributions due as a percent of--				Cost rate: Benefits as a percent of--				Reserve ratio: Funds available as of December 31, as a percent of--			
		Taxable wages [1]		Total wages		Taxable wages [1]		Total wages		Taxable wages [1]		Total wages	
		1965 [2]	1964	1965 [3]	1964	1965 [4]	1964	1965 [4]	1964	1965 [4]	1964	1965 [4]	1964
UNITED STATES..		2.1	2.21	1.2	1.26	1.53	1.85	.88	1.05	5.92	5.35	3.39	3.05
Alabama.....		[5]1.3	[5]1.60	[5] .8	[5] .98	.93	1.14	.57	.70	5.21	4.80	3.23	2.95
Alaska.....	$7,200 (1/60)	[5]2.9	[5]2.94	[5]2.4	[5]2.39	1.97	2.14	1.62	1.74	[6]5.78	[6]4.40	[6]4.76	[6]3.57
Arizona.....	3,600 (1/65)	1.5	1.45	1.0	.83	1.86	1.65	1.11	.95	7.19	7.69	4.30	4.44
Arkansas.....		1.6	1.49	1.1	1.04	1.32	1.50	.92	1.05	3.64	3.30	2.54	2.30
California.....	3,800 (1/62)	3.0	3.02	1.9	1.83	3.15	3.07	1.91	1.86	3.89	3.94	2.36	2.39
Colorado.....		1.3	1.59	.7	.89	1.09	1.08	.61	.60	5.47	4.99	3.05	2.79
Connecticut....		2.1	2.10	1.1	1.09	1.41	1.96	.73	1.02	8.20	7.43	4.27	3.86
Delaware.....	3,600 (1/55)	1.8	2.19	1.0	1.22	1.01	1.59	.58	.89	4.89	4.23	2.79	2.36
Dist. of Col...		1.1	.89	.6	.48	1.08	1.22	.58	.66	7.65	7.67	4.12	4.14
Florida.....		1.2	1.33	.8	.81	.62	.79	.38	.48	5.57	5.08	3.45	3.12
Georgia.....		1.3	1.30	.8	.82	.61	.81	.38	.51	7.68	7.17	4.86	4.49
Hawaii.....	4,200 (1/65)	2.0	2.25	1.5	1.51	1.42	1.59	.98	1.07	4.46	3.98	3.08	2.67
Idaho.....	3,600 (1/63)	2.2	2.17	1.5	1.48	1.48	2.10	1.02	1.44	8.00	7.39	5.51	5.05
Illinois.....		1.3	1.93	.7	.98	1.02	1.36	.52	.69	6.19	5.77	3.15	2.93
Indiana.....		1.1	1.22	.6	.65	.67	.96	.36	.51	4.92	4.58	2.64	2.44
Iowa.....		.7	.77	.4	.44	.59	.76	.33	.43	8.52	8.34	4.81	4.69
Kansas.....		1.4	1.43	.8	.82	1.39	1.54	.79	.88	6.10	5.92	3.48	3.37
Kentucky.....		1.7	1.92	1.0	1.14	1.35	1.82	.81	1.08	8.39	7.93	5.04	4.73
Louisiana.....		2.0	1.94	1.2	1.13	1.27	1.46	.75	.85	7.01	6.53	4.11	3.81
Maine.....		1.9	1.99	1.3	1.29	1.11	1.61	.72	1.04	6.03	5.31	3.93	3.44
Maryland.....		2.5	2.85	1.5	1.63	1.27	1.59	.73	.91	7.68	6.74	4.41	3.85
Massachusetts..	3,600 (1/62)	2.6	2.70	1.7	1.68	2.05	2.64	1.28	1.65	4.47	3.94	2.79	2.46
Michigan.....	3,600 (4/63)	2.3	2.63	1.3	1.44	.81	1.15	.45	.63	[6]7.12	[6]6.09	[6]3.92	[6]3.32
Minnesota.....		1.3	1.35	.7	.72	1.26	1.73	.68	.93	1.28	1.10	.69	.59
Mississippi....		1.6	2.29	1.1	1.59	.86	1.35	.60	.93	7.13	5.91	4.99	4.10
Missouri.....		1.4	1.42	.8	.77	1.00	1.24	.55	.67	7.76	7.32	4.23	3.97
Montana.....		1.5	1.52	.9	.95	1.74	2.13	1.09	1.32	5.70	5.87	3.56	3.65
Nebraska.....		1.0	1.26	.6	.74	1.21	1.29	.72	.76	5.97	6.07	3.52	3.58
Nevada.....	3,800 (4/65)	2.0	2.70	1.4	1.71	2.29	2.12	1.48	1.35	5.96	6.26	3.84	3.97
New Hampshire..		1.7	1.65	1.1	1.04	.86	1.51	.54	.95	6.69	5.82	4.22	3.65
New Jersey.....		[5]2.3	[5]2.36	[5]1.2	[5]1.21	2.36	2.96	1.22	1.52	6.01	5.74	3.11	2.95
New Mexico.....		1.3	1.31	.8	.78	1.43	1.64	.85	.98	7.09	7.05	4.22	4.20
New York.....		3.0	2.69	1.6	1.39	2.29	2.57	1.18	1.33	8.17	7.43	4.20	3.84
North Carolina.		1.4	1.52	1.0	1.02	.85	1.22	.58	.82	8.08	7.57	5.48	5.09
North Dakota...		2.4	2.42	1.5	1.51	2.45	2.52	1.53	1.57	3.34	3.42	2.09	2.13
Ohio.....		2.4	2.86	1.3	1.45	.93	1.44	.48	.73	4.67	3.09	2.38	1.57
Oklahoma.....		1.5	1.50	.9	.87	1.12	1.33	.66	.77	4.16	3.82	2.43	2.22
Oregon.....	3,600 (1/65)	1.9	2.31	1.3	1.54	1.40	1.64	.93	1.09	6.17	5.60	4.10	3.73
Pennsylvania...	3,600 (1/64)	2.9	3.06	1.7	1.89	1.16	1.79	.72	1.10	[6]3.86	[6]2.43	[6]2.39	[6]1.49
Puerto Rico....		2.7	2.70	2.3	2.23	2.52	2.44	2.07	2.00	8.03	7.86	6.61	6.46
Rhode Island...	3,600 (1/56)	2.7	2.70	1.9	1.82	1.49	1.95	1.01	1.32	7.07	6.05	4.79	4.10
South Carolina.		1.3	1.38	.9	.94	.84	1.12	.58	.76	6.92	6.50	4.75	4.42
South Dakota...		.9	1.00	.6	.62	1.18	1.53	.73	.94	6.97	6.93	4.28	4.27
Tennessee.....	3,300 (1/63)	1.8	1.77	1.2	1.17	.98	1.29	.65	.85	4.72	3.89	3.13	2.57
Texas.....		.9	.93	.5	.54	.79	.99	.46	.57	4.31	4.17	2.52	2.42
Utah.....	4,200 (1/64)	1.5	1.38	1.1	.96	1.78	1.80	1.23	1.26	5.36	5.48	3.72	3.82
Vermont.....	3,600 (1/64)	2.3	1.88	1.6	1.33	1.58	2.35	1.13	1.66	3.25	2.67	2.31	1.88
Virginia.....		.7	.91	.4	.56	.42	.57	.26	.35	6.25	5.91	3.88	3.64
Washington.....		2.7	2.70	1.5	1.44	2.29	3.16	1.23	1.69	10.69	10.16	5.73	5.43
West Virginia..	3,600 (1/62)	1.2	1.15	.8	.72	1.09	1.33	.69	.83	5.58	5.40	3.50	3.38
Wisconsin.....		1.7	1.54	.9	.82	1.25	1.73	.66	.91	7.86	7.44	4.18	3.93
Wyoming.....		2.0	3.12	1.3	1.92	1.44	1.48	.88	.91	5.29	4.28	3.23	2.63

1/ Taxable wages are those portions of the aggregate wages in covered employment which are subject to State unemployment insurance taxes. Taxable wages are limited to the first $3,000 of earnings in all States except 16.

2/ Estimates of average employer tax rates prepared by State employment security agencies.

3/ Estimated by Bureau of Employment Security.

4/ Due to a 6-month lag in reporting wages, tax and cost rates and reserve ratios for December 31, 1965, have as their base, wages for the 12-month period ending 6 months prior.

5/ Excludes employee contributions.

6/ The reserve on which this ratio is based includes the amount advanced from the Federal Unemployment Account in the Federal Unemployment Trust Fund and not repaid. See table 2, footnote 1.

TABLE 4. RESERVE RATIO (RESERVES AS PERCENT OF TOTAL WAGES) AT END OF SPECIFIED PERIOD AS A MULTIPLE OF HIGHEST 12-MONTH BENEFIT COST RATE (BENEFIT PAYMENTS AS PERCENT OF TOTAL WAGES) DURING THE 10-YEAR PERIOD 1956-65

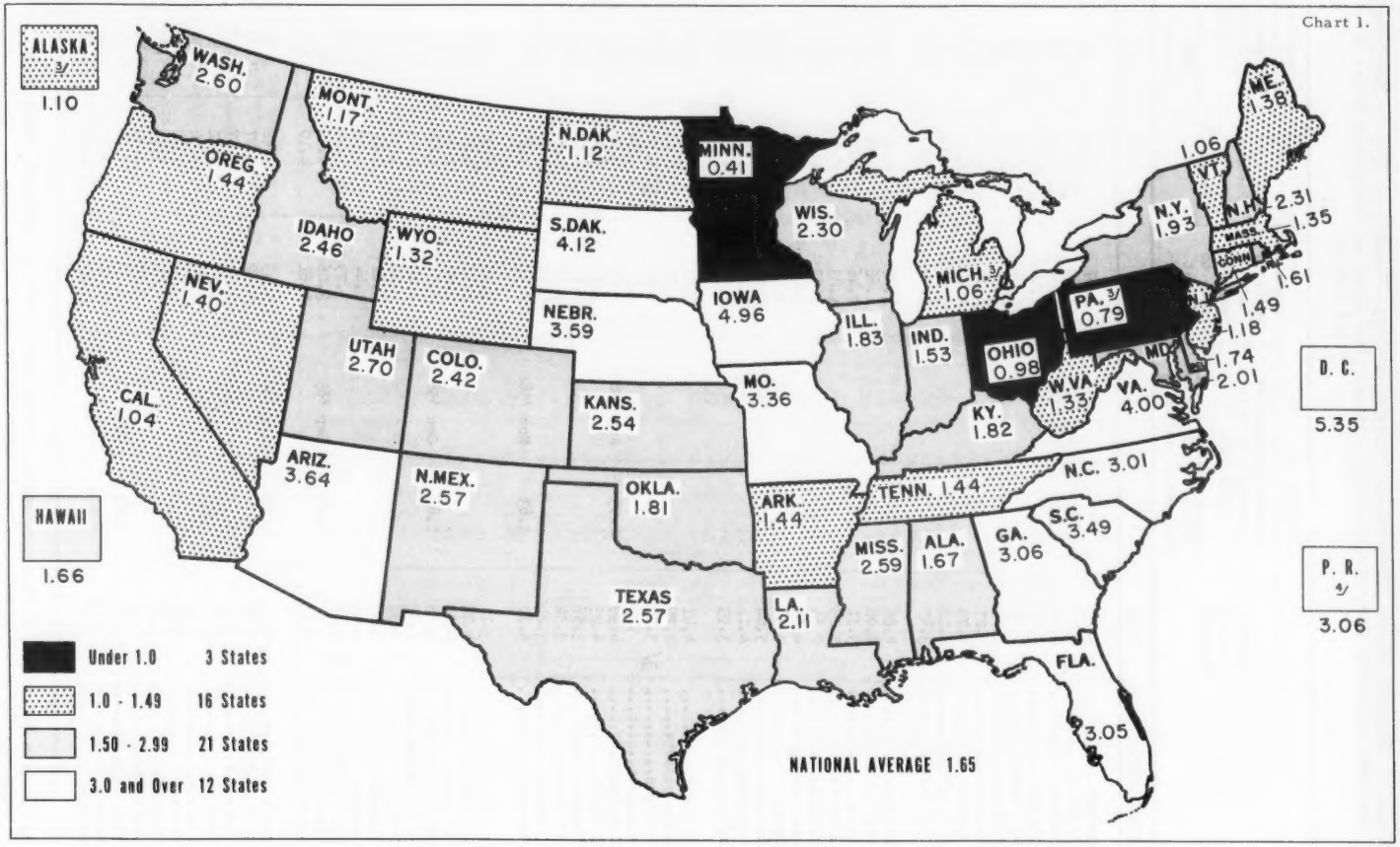
State	December 31, 1965				December 31, 1964			
	Reserve ratio 1/ (Percent)	Highest consecutive 12-month cost rate 1956-1965		Multiple of reserve ratio to highest cost	Reserve ratio (Percent)	Highest consecutive 12-month cost rate 1956-1964		Multiple of reserve ratio to highest cost
		Rate 1/ (Percent)	12 months ending 2/			Rate (Percent)	12 months ending	
UNITED STATES.....	3.39			1.65	3.05	2.05	Dec '58	1.49
Alabama.....	3.23			1.67	2.95	1.93	Nov '58	1.53
Alaska.....	3/ 4.76	4.33	Aug '58	1.10	3/ 3.57	4.75	Jun '55	.75
Arizona.....	4.30	1.18	Sep '65	3.64	4.44	1.08	Aug '61	4.11
Arkansas.....	2.54			1.44	2.30	1.76	Aug '61	1.31
California.....	2.36			1.04	2.39	2.26	May '61	1.06
Colorado.....	3.05			2.42	2.79	1.26	May '63	2.21
Connecticut.....	4.27			1.49	3.86	2.87	Jan '59	1.34
Delaware.....	2.79			1.74	2.36	1.60	Feb '59	1.48
Dist. of Col.....	4.12			5.35	4.14	.77	Jan '64	5.38
Florida.....	3.45			3.05	3.12	1.13	Oct '61	2.76
Georgia.....	4.86			3.06	4.49	1.59	Nov '58	2.82
Hawaii.....	3.08			1.66	2.67	1.85	Jul '62	1.44
Idaho.....	5.51			2.46	5.05	2.24	Aug '61	2.25
Illinois.....	3.15			1.83	2.93	1.72	Feb '59	1.70
Indiana.....	2.64			1.53	2.44	1.73	Nov '58	1.41
Iowa.....	4.81			4.96	4.69	.97	Dec '61	4.84
Kansas.....	3.48			2.54	3.37	1.37	Feb '61	2.46
Kentucky.....	5.04	2.77	Oct '58	1.82	4.73	2.88	Feb '55	1.64
Louisiana.....	4.11			2.11	3.81	1.95	Oct '61	1.95
Maine.....	3.93			1.38	3.44	2.84	Oct '58	1.21
Maryland.....	4.41			2.01	3.85	2.19	Dec '58	1.76
Massachusetts.....	2.79			1.35	2.46	2.06	Oct '58	1.19
Michigan.....	3/ 3.92			1.06	3/ 3.32	3.69	Dec '58	.90
Minnesota.....	.69			.41	.59	1.70	Dec '58	.35
Mississippi.....	4.99	1.93	Aug '58	2.59	4.10	2.04	Jan '55	2.01
Missouri.....	4.23			3.36	3.97	1.26	Nov '58	3.15
Montana.....	3.56			1.17	3.65	3.03	Oct '58	1.20
Nebraska.....	3.52			3.59	3.58	.98	Oct '58	3.65
Nevada.....	3.84			1.40	3.97	2.75	Oct '58	1.44
New Hampshire.....	4.22	1.83	Nov '58	2.31	3.65	2.01	Jan '55	1.82
New Jersey.....	3.11			1.18	2.95	2.63	Nov '58	1.12
New Mexico.....	4.22			2.57	4.20	1.64	Oct '61	2.56
New York.....	4.20			1.93	3.84	2.18	Feb '59	1.76
North Carolina....	5.48	1.82	Oct '58	3.01	5.09	1.84	Jan '55	2.77
North Dakota.....	2.09			1.12	2.13	1.86	Nov '61	1.15
Ohio.....	2.38			.98	1.57	2.44	Dec '58	.64
Oklahoma.....	2.43			1.81	2.22	1.34	Aug '61	1.66
Oregon.....	4.10			1.44	3.73	2.85	Sep '58	1.31
Pennsylvania.....	3/ 2.39			.79	3/ 1.49	3.02	Jan '59	.49
Puerto Rico 4/....	6.61	2.16	Sep '65	3.06	6.46	2.11	Nov '64	3.06
Rhode Island.....	4.79			1.61	4.10	2.97	Sep '58	1.38
South Carolina....	4.75	1.36	Sep '58	3.49	4.42	1.52	Jan '55	2.91
South Dakota.....	4.28			4.12	4.27	1.04	Jan '64	4.11
Tennessee.....	3.13			1.44	2.57	2.18	Jan '58	1.18
Texas.....	2.52			2.57	2.42	.98	Jan '59	2.47
Utah.....	3.72			2.70	3.82	1.38	Nov '58	2.77
Vermont.....	2.31			1.06	1.88	2.17	Oct '61	.87
Virginia.....	3.88			4.00	3.64	.97	Jan '59	3.75
Washington.....	5.73			2.60	5.43	2.20	May '61	2.47
West Virginia.....	3.50	2.63	Jan '59	1.33	3.38	2.90	Jan '55	1.17
Wisconsin.....	4.18			2.30	3.93	1.82	Jan '59	2.16
Wyoming.....	3.23			1.32	2.63	2.44	May '63	1.08

1/ Due to a 6-month lag in reporting wages, reserve ratios and cost rates for December 31, 1965, have as their base, wages for the 12-month period ending 6 months prior.
2/ No change in high cost rate since December 31, 1964, unless otherwise indicated.
3/ The reserve on which this ratio is based includes the amount advanced from the Federal Unemployment Account in the Federal Unemployment Trust Fund and not repaid. See table 2, footnote 1.
4/ Puerto Rico covered under Federal Unemployment Tax Act, January 1, 1961.

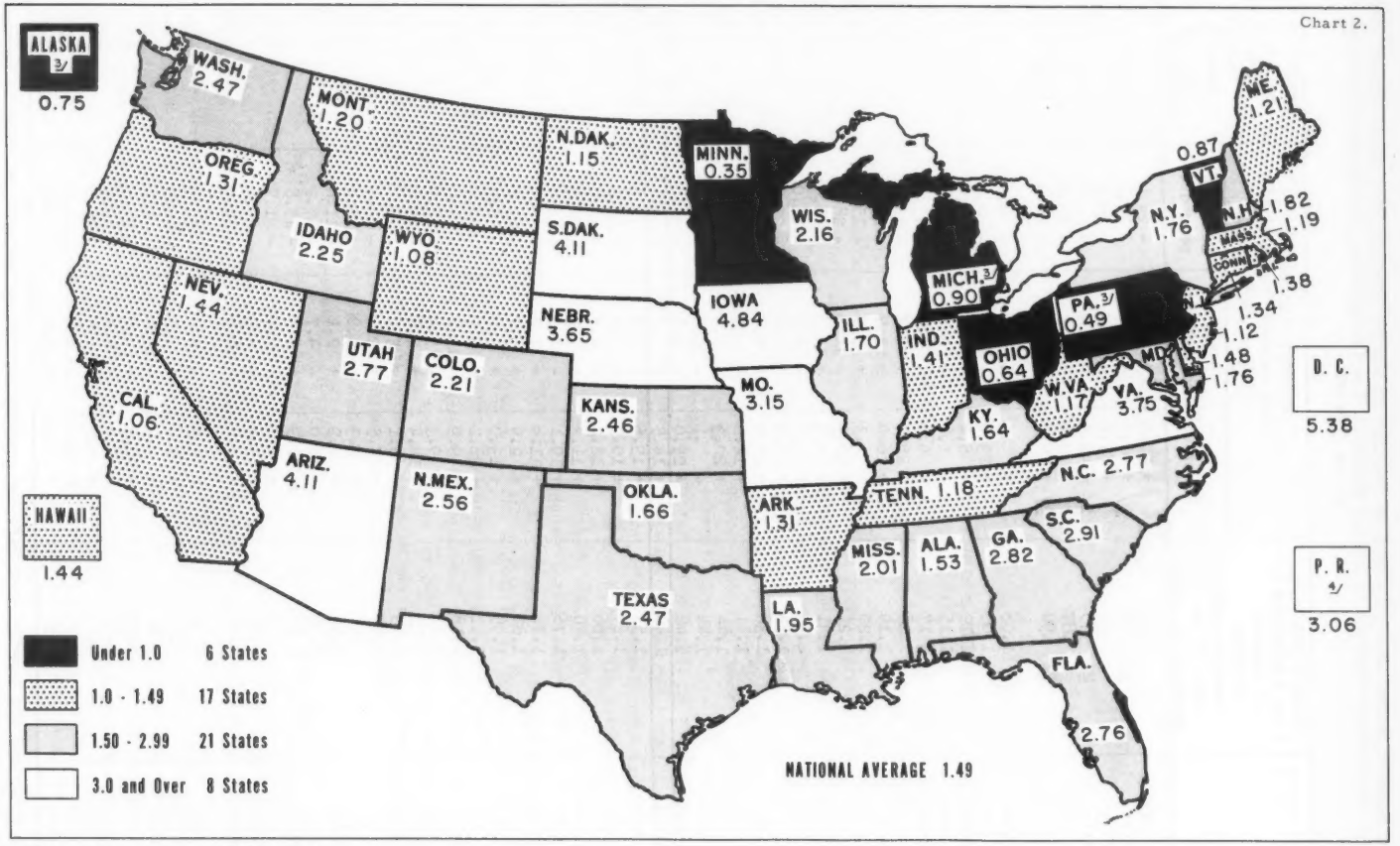
UNEMPLOYMENT INSURANCE SERVICE
Office of Actuarial and Financial Services

STATE RESERVE RATIO[1/] AS A MULTIPLE OF HIGHEST 12-MONTH BENEFIT COST RATE[2/]

As of December 31, 1965



As of December 31, 1964



1/ Reserves as percent of TOTAL wages.

2/ Highest cost rate (percent of TOTAL wages) during most recent 10-year period.

3/ Includes advances from Federal Unemployment Account.

4/ Puerto Rico covered under Federal Unemployment Tax Act January 1, 1961.

UNITED STATES DEPARTMENT OF LABOR
Manpower Administration
Bureau of Employment Security
Unemployment Insurance Service

TABLE 5. STATE RESERVE RATIO AS A MULTIPLE OF HIGHEST 12-MONTH BENEFIT COST RATE DURING THE PRECEDING 10-YEAR PERIOD, AND PERCENT CHANGES IN DOLLAR RESERVES, TAX COLLECTIONS, AND BENEFIT PAYMENTS, CALENDAR YEARS 1964-65

STATE	Reserve ratio 1/ as a multiple of highest 12-month benefit cost rate 1/ as of December 31, 1964	Percent changes from calendar years 1964 to 1965			Reserve ratio 1/ as a multiple of highest 12-month benefit cost rate 1/ as of December 31, 1965
		Reserves	Tax collections	Benefit payments	
Minnesota	.35	+ 20.6	+ 7.8	- 24.4	.41
Pennsylvania	2/ .49	2/ + 65.3	+ 4.0	- 32.4	2/ .79
Ohio	.64	+ 57.6	- 5.9	- 32.3	.98
Alaska	2/ .75	2/ + 43.5	+ 17.9	+ .6	2/ 1.10
Vermont	.87	+ 22.6	+ 30.2	- 28.8	1.06
Michigan	2/ .90	2/ + 24.3	- 8.0	- 24.9	2/ 1.06
California	1.06	+ .6	+ .6	+ 4.4	1.04
Wyoming	1.08	+ 23.0	- 27.8	- 2.5	1.32
New Jersey	1.12	+ 8.4	+ 4.1	- 17.7	1.18
North Dakota	1.15	+ 1.4	+ 3.8	+ 1.1	1.12
West Virginia	1.17	+ 6.9	+ 1.0	- 15.0	1.33
Tennessee	1.18	+ 26.7	+ 8.3	- 20.7	1.44
Massachusetts	1.19	+ 16.0	+ 1.7	- 20.5	1.35
Montana	1.20	+ .3	+ 5.9	- 15.5	1.17
Maine	1.21	+ 16.9	- 10.1	- 28.8	1.38
Arkansas	1.31	+ 14.7	+ 16.6	- 8.5	1.44
Oregon	1.31	+ 14.7	- 12.2	- 11.0	1.44
Connecticut	1.34	+ 13.9	+ 4.0	- 25.9	1.49
Rhode Island	1.38	+ 20.5	+ 4.9	- 21.1	1.61
Indiana	1.41	+ 12.8	+ .7	- 26.9	1.53
Hawaii	1.44	+ 20.3	- 3.9	- 4.1	1.66
Nevada	1.44	- .1	- 19.1	+ 13.1	1.40
Delaware	1.48	+ 25.0	- 8.5	- 31.0	1.74
U. S. AVERAGE	1.49	+ 14.5	+ .2	- 14.1	1.65
Alabama	1.53	+ 15.6	- 16.4	- 13.6	1.67
Kentucky	1.64	+ 10.9	+ 3.7	- 22.2	1.82
Oklahoma	1.66	+ 12.2	- 4.7	- 13.0	1.81
Illinois	1.70	+ 11.3	- 23.4	- 22.3	1.83
Maryland	1.76	+ 19.1	- 14.3	- 16.5	2.01
New York	1.76	+ 11.4	+ 11.2	- 9.9	1.93
New Hampshire	1.82	+ 2.9	+ 5.7	- 41.1	2.31
Louisiana	1.95	+ 13.0	+ 3.2	- 8.3	2.11
Mississippi	2.01	+ 28.2	+ 2.5	- 32.4	2.59
Wisconsin	2.16	+ 9.9	+ 13.1	- 24.6	2.30
Colorado	2.21	+ 9.3	- 15.4	+ 1.1	2.42
Idaho	2.25	+ 14.4	+ 7.8	- 25.3	2.46
Kansas	2.46	+ 5.1	+ 5.0	- 8.4	2.54
Texas	2.47	+ 7.5	+ 2.1	- 16.9	2.57
Washington	2.47	+ 8.3	+ 5.0	- 25.4	2.60
New Mexico	2.56	+ 2.2	+ 2.1	- 11.6	2.57
Florida	2.76	+ 16.0	- 4.7	- 17.2	3.05
North Carolina	2.77	+ 12.9	+ 4.3	- 25.8	3.01
Utah	2.77	- 2.3	+ 5.7	- 1.7	2.70
Georgia	2.82	+ 13.8	+ 4.2	- 20.6	3.06
South Carolina	2.91	+ 12.8	+ 6.6	- 20.0	3.49
Puerto Rico	3.06	+ 8.8	+ 8.8	+ 10.1	3.06
Missouri	3.15	+ 9.6	+ 2.1	- 16.6	3.36
Nebraska	3.65	+ .4	- 19.2	- 4.1	3.59
Virginia	3.75	+ 10.9	- 10.6	- 24.5	4.00
Arizona	4.11	- 1.8	+ 4.4	+ 18.6	3.64
South Dakota	4.11	+ 1.0	- 4.5	- 22.2	4.12
Iowa	4.84	+ 5.4	- 4.8	- 19.1	4.96
Dist. of Col	5.38	+ 2.4	+ 13.4	- 8.8	5.35

1/ The reserve ratio and the benefit cost rate are computed by taking reserves and benefit payments as a percent of total wages.

2/ The reserve includes the amount advanced from the Federal Unemployment Account in the Federal Unemployment Trust Fund and not repaid. See table 2, footnote 1.

Unemployment Insurance Decisions*

Employer Not an Insurer Against Robbers

District of Columbia.—A desk-clerk telephone operator was robbed while on night shift duty. The employer offered the claimant a change in hours, including either straight daytime or alternating shifts. The claimant refused all the changes offered by the employer and left her employment in fear that she would again become the victim of a robbery. "A robber," said the appeals examiner, "is a public enemy against whose crimes an employer is not an insurer for the safety of his employees. Employer gave this claimant a selection with respect to shifts. Claimant, however, quit voluntarily for personal reasons which under the circumstances do not constitute good cause as the job was suitable." (Appeal No. 17,380–UI, Oct. 18, 1965.)

Unappreciated Poetry

California.—A janitor became attracted to an 18-year-old clerical worker at the warehouse where he was employed. He made no effort to speak to her, but expressed his affection in the form of a poem and placed it upon her desk. When the girl saw the poem, she took offense and threatened to resign. The claimant was thereupon summarily discharged. The referee held that the claimant was discharged for misconduct connected with his employment. Although the incident was of an isolated nature and without malicious intent, the referee pointed out that the claimant's actions were highly irregular. The young lady had not given him any encouragement; on the contrary, she had appeared shy and embarrassed in his presence. The Appeal Board, in reversing the disqualification, noted that the poem was not of an offensive nature, and that the claimant had no reason to believe the girl would be offended or that the poem would be cause for his termination. The Board concluded: "Isolated instances of good faith, errors of judgment, or discretion are not to be deemed misconduct. . . ." (Appeal Board Case No. 66–195, Feb. 11, 1966.)

*Prepared in Division of Determinations and Hearings, Office of State Operations, Unemployment Insurance Service, Bureau of Employment Security.

Claimant's Beard a Fire Hazard

California.—An experienced woodsman and construction laborer, who had no experience as a firefighter, applied for a job as a fire-suppression crew member with the U.S. Forest Service. He had a large beard and a flowing mustache. Officials of the Service informed him that they considered his beard a fire hazard, and that they would not employ him so long as he kept the beard. He testified that he would have been willing to sign a waiver relieving the U.S. Government of any liability caused by his beard, and that he would have been willing to wear a mask, but he would not remove his beard and mustache. He did not keep the beard for any religious reason, or to express revolt against society. He just liked to have a beard. The referee held that the claimant refused an offer of suitable work without good cause. The request that he shave off his beard for the purpose of protecting him from possible injury was not unreasonable. The Appeal Board reversed the disqualification on the basis that the claimant did not receive an outright and unequivocal offer of employment by the Forest Service, since the job was offered to him only on the condition that he shave off his beard. (Appeal Board Case No. 65–4216, Jan. 24, 1966.)

Didn't Learn English

New Jersey.—A Puerto Rican had been in the continental United States for about 9 years, but had not managed to learn English. He needed the services of an interpreter or guide before he could seek work. While he contended that he went out frequently to seek work, he was able to identify only two firms where he had applied for work during the claim period starting July 19, 1965. "Unfortunately, for this claimant," said the Board of Review, "it seems that he is unable to demonstrate that he is actively seeking work, primarily due to the language barrier. Because of his failure to comply with the statutory requirement, we must hold that he is ineligible for benefits claimed since July 19, 1965. Every benefit claimant is obliged to comply with all of the provisions of the statute." (Decision No. BR–62152–C, Dec. 6, 1965.)

Trends in the Economy*

January–February 1966

THE Nation's economy continued to approach its full potential during January and February, with many of the key indicators (including industrial production, personal income, construction spending, and the backlog of durable goods orders) continuing to break previous records. Moreover, activity was still at a very high level in two of the key industries that have played a major role in fueling the economic upswing. The steel industry was rapidly completing its recovery from the production slide of last fall, and in the auto industry both output and sales ran at a pace second only to the record levels of last year.

However, unusually strong demand has brought the economy to a point where strains now are beginning to be evident. Manufacturers' operating rates are pushing capacity, and the operation of plants at above optimum rates is producing some inefficiencies. Under mounting pressures from the capital goods boom and the Viet Nam situation, the wholesale price index registered large increases in both months.

Employment continued to move up in January and February, accompanied by the problems of labor shortages in some critical occupations. Further, the growing cost of training employees with little experience, even less than formerly, is beginning to blunt industry profit margins. Unemployment in February was at a 13-year low, and about a fifth of the currently jobless were seeking part-time work only. Thus, finding new employees to work full time from among the ranks of the unemployed to meet industry's demands is becoming more difficult.

Business Activities

According to the SEC-Commerce survey on proposed capital spending, *expenditures for new plant and equipment* in 1966 are scheduled to rise at about the same rate as in the past 2 years—some 16 percent—to $60.2 billion. The report indicated that some slackening in the rate of rise in manufacturing would be offset by sharper gains in mining and utilities.

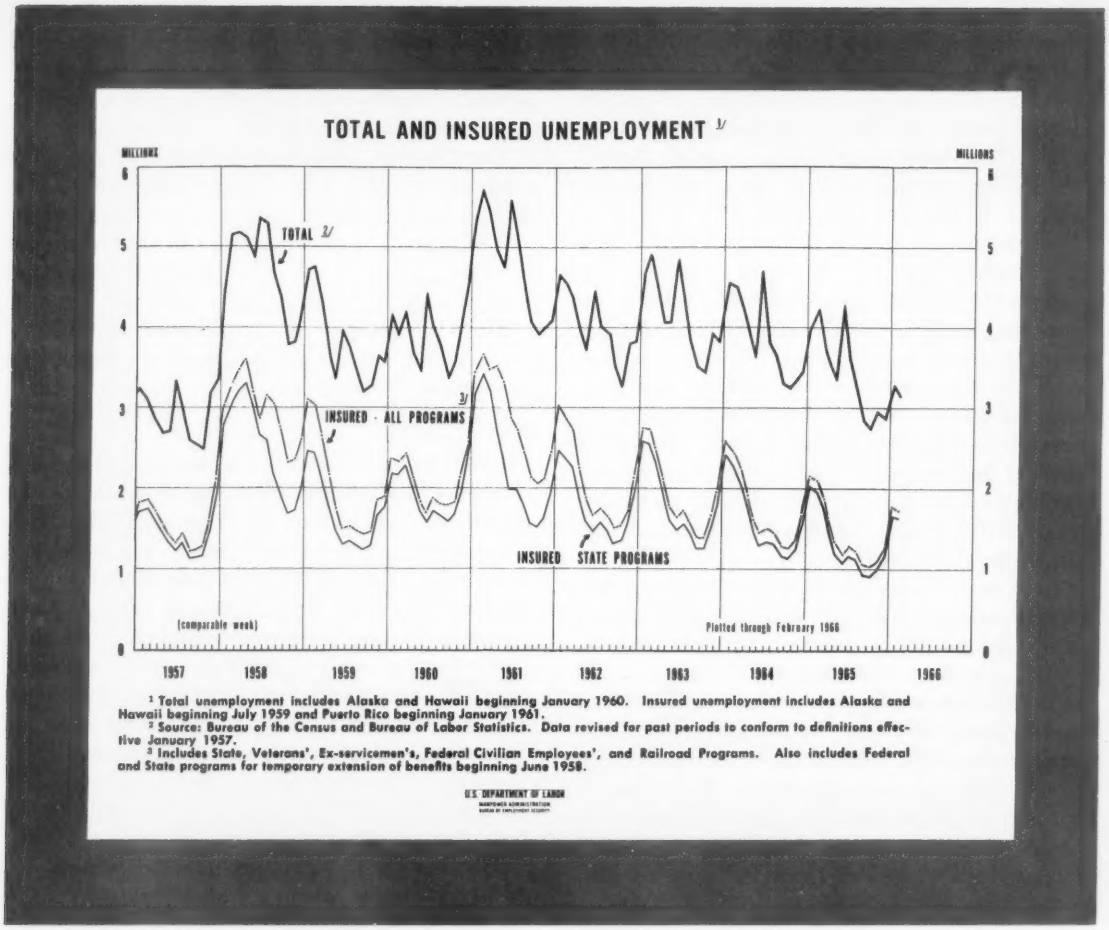
Manufacturing is scheduled for a 19-percent increase over last year; in 1965, the rise was 21 percent. Pace setters will be transportation equipment (excluding motor vehicles), textiles, electrical equipment, and paper. Besides manufacturing, increases of about 12 percent are planned for communications, commercial building, and for nonrail transportation.

Industrial output moved higher during the first 2 months of the year, rising from 148.7 percent (1957–59=100) at year's end to 151.3 percent in February. During the 2-month period, strong advances were shown in durable goods manufacturing, especially in the instruments, machinery, and metals sectors. Iron and steel production moved up briskly to 126 percent in February from the 118.2-percent figure of December. Steel production has shown substantial improvement since the last half of November 1965. Output has advanced steadily and, for the week ending March 5, the industry poured 2.6 million tons, the highest for any week since June 1965.

Output of consumer goods increased in February, after remaining steady in the preceding month, but the movement was not uniform, as the production of black and white television sets slumped enough to drag down the long-climbing TV-radio index, and the assembly of autos eased slightly. U.S. auto producers turned out 776,600 units in February—40,000 fewer than in January. However, for the month of February the auto assembly figure was surpassed only by the record set last year.

Compared with a year ago, the February industrial index was up by 12 points, or nearly 9 percent; the largest rise was in the production of business equipment—17 percent.

*Prepared in the Office of Program Reports and Research, Administration and Management Service, Bureau of Employment Security.


TOTAL AND INSURED UNEMPLOYMENT 1/
MILLIONS
MILLIONS
TOTAL 2/
INSURED - ALL PROGRAMS 3/
INSURED STATE PROGRAMS
(comparable week)
Plotted through February 1966
0
1
2
3
4
5
6
1957
1958
1959
1960
1961
1962
1963
1964
1965
1966
1 Total unemployment includes Alaska and Hawaii beginning January 1960. Insured unemployment includes Alaska and Hawaii beginning July 1959 and Puerto Rico beginning January 1961.
2 Source: Bureau of the Census and Bureau of Labor Statistics. Data revised for past periods to conform to definitions effective January 1957.
3 Includes State, Veterans', Ex-servicemen's, Federal Civilian Employees', and Railroad Programs. Also includes Federal and State programs for temporary extension of benefits beginning June 1958.
U.S. DEPARTMENT OF LABOR

The annual rate of *housing starts* declined during the first 2 months of the year. After moving up to a 1.7-million annual rate in December (2-year high), starts eased to a 1.5-million rate in January and then fell to a 1.3-million rate in February—the lowest figure since January 1963. The declines were geographically widespread; the sharpest reductions occurred in the North Central and North East regions.

Building permits were issued at a considerably slower pace in the first 2 months of the year, falling from a 1,233,000 rate in December to 1,214,000 in January and 1,145,000 in February. All geographical areas shared in the reduction; the heaviest losses were in the North East and North Central regions. In February, permits for single-family dwellings were issued at an annual rate of 644,000, down from January's 709,000. The permit rate for units in buildings for housing two to four families fell to 69,000 from 82,000, while the rate for apartment buildings (for five or more families) dropped to 432,000 from 471,000.

Factory orders for durable goods slipped to a seasonally adjusted $23.5 billion in February, after reaching a new high ($23.8 billion, seasonally adjusted) in January. The downturn was due to lower bookings for machinery and transportation equipment, as well as a drop in orders for defense products from the unusually high level reached in January. New orders for primary metals showed a small rise.

Shipments of durable goods (seasonally adjusted) were at a record $22.6 billion in February, up from January's $22.5 billion. The $100 million gain reflected small increases in shipments of primary metals and transportation equipment, which offset a decline in machinery shipments.

The backlog of durable goods orders rose in both January and February, moving up from December's seasonally adjusted $62.5 billion, to $63.8 billion and $64.7 billion, respectively. All major industry groups showed higher backlogs in February. Compared with the year-earlier figure, backlogs this February were about $10 billion higher.

Personal income in February rose by $4 billion from January's $552.3 billion, to a record seasonally adjusted annual rate of $556.3 billion. A December–January rise of $1.4 billion was depressed by the increase in social security contributions. On the other hand, February's rise compares favorably with the average monthly increases of $3 billion registered in 1965. Some $2.8 billion of the rise this February was in wages and salaries; payrolls for that sector rose to an annual rate of $376.6 billion, about $28 billion, or 8 percent, higher than a year ago.

Retail sales (seasonally adjusted), at $24.6 billion in February, were fractionally lower than the record January figure of $25.0 billion; December's level was $24.8 billion. During February, sales of nondurables were off by 1 percent, and those of durable goods slipped by 3 percent. Auto sales remained at a high level in both months—682,600 units in January and 664,220 in February. A February falloff in sales is normal because of the smaller number of selling days in that month. Compared with last February (a record for that month), new car sales were some 18,000 fewer.

Construction spending moved higher in the first 2 months of the year. December's figure of $75.1 billion was bettered both by January's $75.4 billion and by February's $75.9 billion. Nearly all of the increase was in the private sector, with higher outlays recorded in both residential and nonresidential building. Public construction remained sluggish; very little change has been shown by that sector since last summer.

The wholesale price index moved up sharply in the first 2 months—from 104.1 percent (1957–59=100) in December to 104.6 in January and 105.3 in February. The February rise was the largest month-to-month increase since the Korean conflict. There was an especially large rise (2.7 percent) in agricultural products prices, partly because of adverse weather conditions. The uptrend in industrial commodities was also sharp for recent years—0.3 percent.

Within the agricultural sector, livestock prices rose 3.6 percent, eggs 16 percent, and fresh fruits 5 percent. The index for processed goods rose 1.3 percent; increases were mostly in meats, poultry, and dairy products.

The industrial commodities index, at 103.8, experienced the sharpest 2-month rise since 1959. The largest increases were in hides and leather and in miscellaneous products. In the metals and machinery groups, the index has risen 1.3 percent since December—a more than moderate increase.

Since February a year ago, the wholesale index has risen 4.1 percent, with industrial commodities increasing 1.9 percent.

Employment

After falling less than seasonally between December and January, total employment rose by 322,000 to 71.6 million in February. That gain was largely in the nonfarm sector, where employment rose by some 287,000 (somewhat less than the expected rise for this time of year). Adult women accounted for about two-thirds of the gain.

Nonfarm payroll employment, on a seasonally adjusted basis, rose in both January and February; and in each month the gain was strong in manufacturing, trade, services, and government. From last February, it was up by 2.8 million to 62.4 million; all major industry divisions, except mining, took part in the gain.

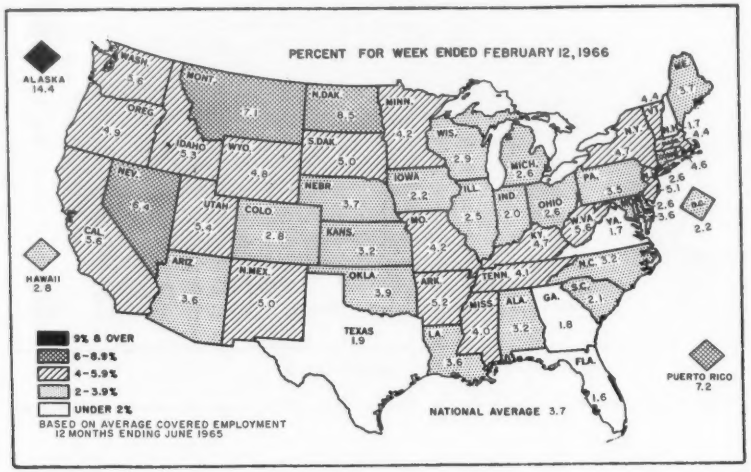
Manufacturing employment, which is normally steady between January and February, rose by 140,000 to 18.4 million. Strength was shown particularly among durable goods industries and in apparel, reflecting the return to work following the New York City transit strike.

Compared with a year earlier, factory employment moved up by 950,000—the largest February-to-February gain since that of 1952–53. The increase was mostly in durable goods (especially machinery, electrical equipment, and transportation equipment), where the combined rise totaled 500,000. Among all the additional employees in factory jobs, four out of five were production workers.

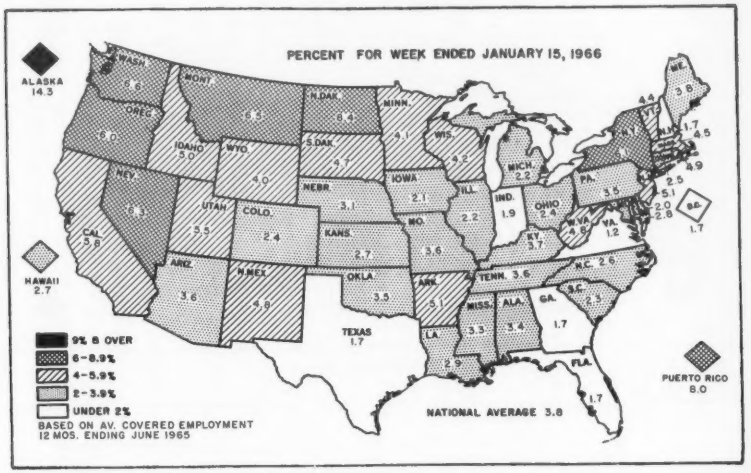
After remaining constant in January (on a seasonally adjusted basis), the *average workweek* in February reached its highest level since World War II—41.3 hours. Average hourly earnings were $2.67 in both months, but the slight lengthening of the workweek in February brought weekly earnings to $110.27, up from January's $110.

STATE INSURED UNEMPLOYMENT AS PERCENT OF AVERAGE COVERED EMPLOYMENT

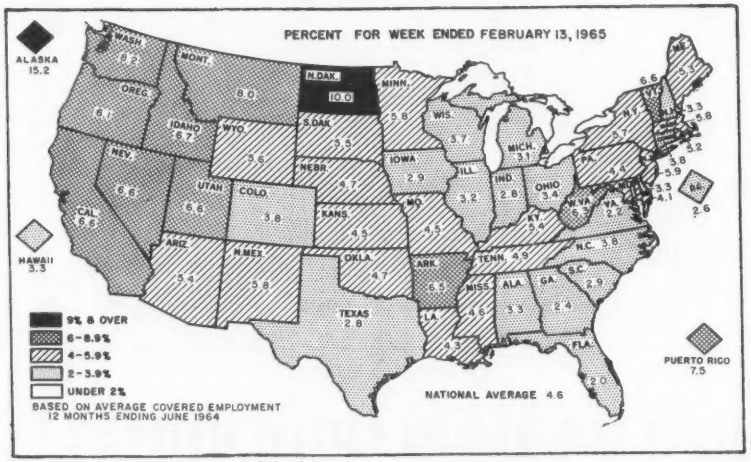
LATEST MONTH



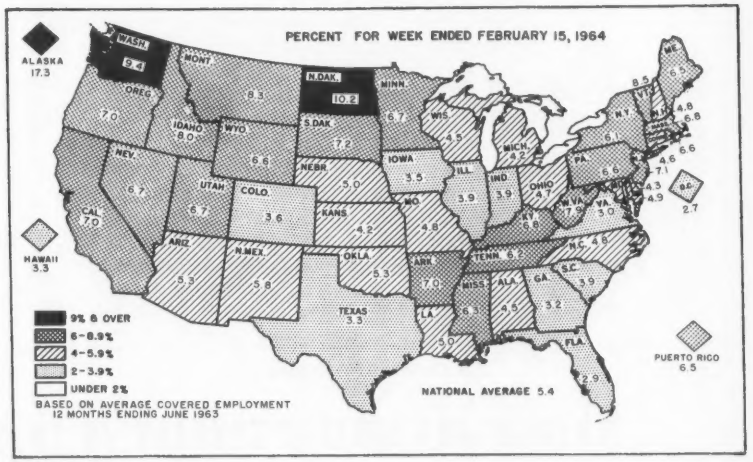
PREVIOUS MONTH



ONE YEAR AGO

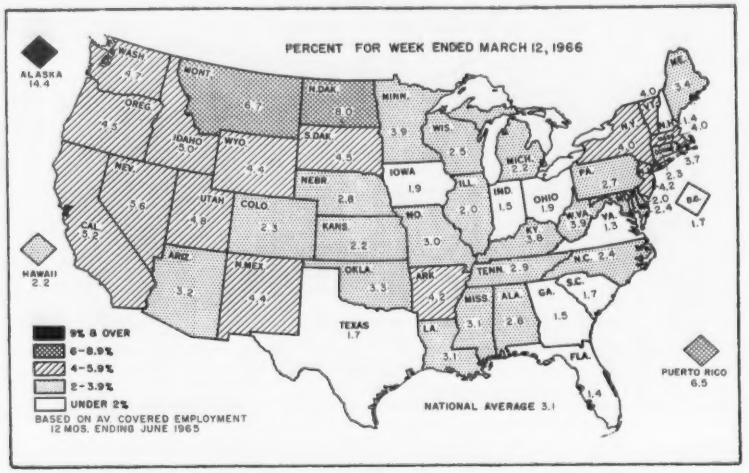


TWO YEARS AGO

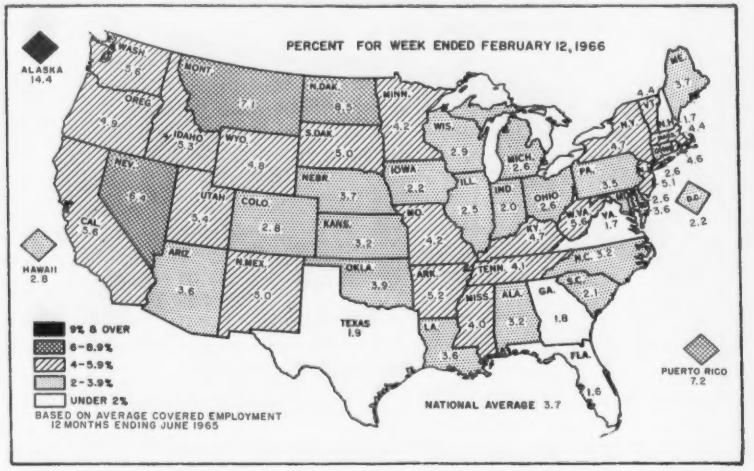


STATE INSURED UNEMPLOYMENT AS PERCENT OF AVERAGE COVERED EMPLOYMENT

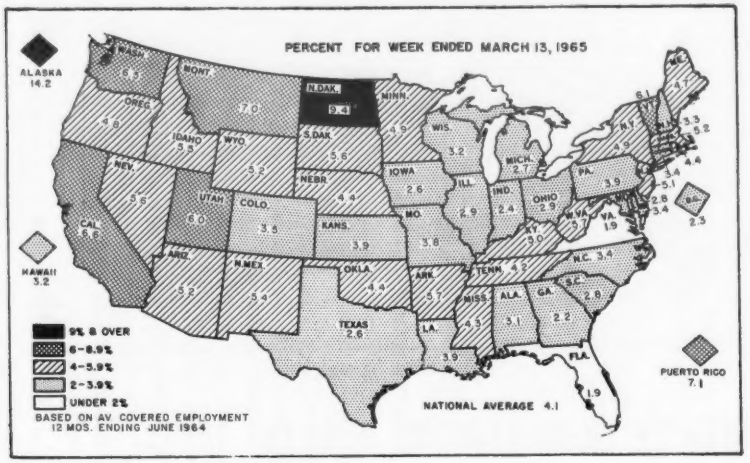
LATEST MONTH



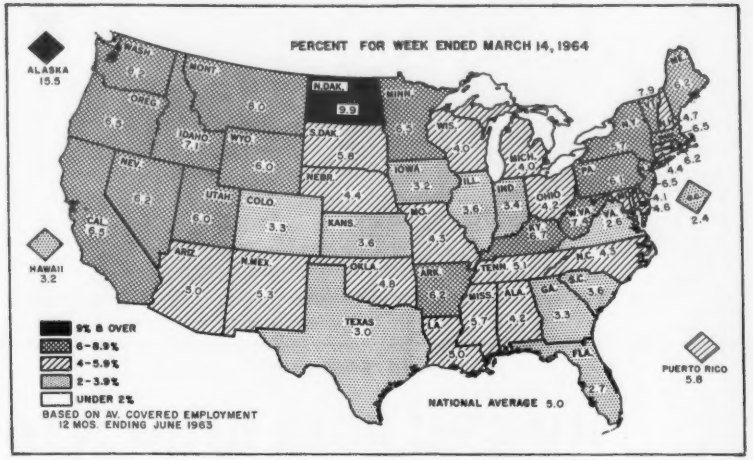
PREVIOUS MONTH



ONE YEAR AGO



TWO YEARS AGO



Nonfarm placements totaled 459,700 in February, or approximately 114,900 a week. This was 6 percent more than in January and 7 percent above the number a year earlier. The February increase (about double the usual gain for this time of year) resulted in a move up of the annual rate of nonfarm placements—to a 6.9-million level. This compares with an annual rate of 6.7 million in January and 6.4 million in February 1965.

Each occupational group showed a placement increase in February. Greater than seasonal gains occurred in all but the skilled category. Normally, this group experiences a 12-percent rise between January and February, but placements this February advanced by less than 8 percent. Gains in the professional-managerial, services, semiskilled, and unskilled groups were moderately greater than expected; placements in the clerical-sales category advanced sharply—up by 13 percent on an adjusted basis.

Placements rose over the month in all industry divisions. The increases were greater than expected in every category, except the construction and trade industries. Government placements, which usually decline by 35 percent, rose by nearly 20 percent. This sharp contraseasonal rise reflected, in part, the late verification of placements made in November and December and, in part, the hiring for the Medicare Alert Program.

Unemployment

During January and February, the unemployment situation improved substantially. At 3.3 million in January, the number of jobless rose 100,000 less than seasonally from December's 2.9 million; in February, there was a contraseasonal decline to 3,150,000. The unemployment rate was down to 3.7 percent, the first time in 9 years that the rate has been below 4.0 percent. Last February, the rate was 5.0 percent and the volume was 4.2 million.

This February the unemployed group was composed of 1.5 million adult men, 750,000 adult women, and 700,000 teenagers. The 2.6-percent unemployment rate for adult men was unchanged from January. The rate for adult women edged down to 3.6 percent, the lowest since April 1957 when it was also 3.6 percent. The teenage rate dropped to 10.9 percent from 12.0 percent in the preceding month. Last February, the rate among teenagers was 14.5 percent.

In February, *State insured unemployment* edged down by 54,200, or 3 percent, from January—about the usual decline for this time of year—to a weekly average of 1,590,200. This was the lowest volume for the month since 1956, when insured joblessness averaged 1,518,000; last February, the number was 1,932,000. Recalls in the apparel industry, where production on spring lines was getting underway, and stepped-up activity in the electrical equipment and primary metals industries, were largely responsible for the net decline over the month. These reductions more than offset a sizable upswing in joblessness among workers from the construction industry, as bad weather hampered outdoor work. Insured unemployment (on a seasonally adjusted basis) remained this February at the 1.2-million level for the fourth succesive month; a year ago the level was 1.4 million.

The rate of insured unemployment (not adjusted for seasonality) moved down from 3.7 percent to 3.6 percent—the lowest rate for any February in 13 years; a year earlier, the rate was 4.5 percent. Alaska's rate rose over the month from 14.5 to 15.0 percent—by far the highest rate among the States. The second highest rate was in North Dakota (8.1), followed by Montana (7.1), Puerto Rico (7.0), and Nevada (6.3). Rates were substantially above the national average in such large States as California (5.6), New Jersey (4.9), New York (4.7), and Massachusetts (4.4). The lowest rates were reported by Florida and Virginia, 1.6 and 1.7 percent, respectively.

Although 31 States reported higher volumes, the increases were more than offset by declines in the remaining States. New York's sharp drop of 51,700, or 18 percent, was four times greater than usual for this time of year, reflecting a return to a more normal level after the January volume, which was inflated by claimants temporarily affected by the New York City transit strike. Washington, with a reduction of 6,800, was the only other State reporting a decline of as much as 6,000. The drop in that State resulted from expanding activity in the construction, public utilities, and trade industries, and in lumber manufacturing.

The February weekly average volume of insured unemployment was 342,200, or 18 percent, below the year-earlier figure, with reductions in all but three States (Alabama, Alaska, and Nevada). The largest declines were reported by California,

New York, and Pennsylvania. California's reduction of 48,800—the largest in the Nation—was attributable to a general pickup in all industries except food processing and instruments manufacturing. More than half of the 37,000 reduction in New York was among factory workers, chiefly from the apparel, textile, electrical equipment, and miscellaneous manufacturing industries. The insured unemployment level in Pennsylvania was 27,300 below that of a year earlier; one-third of the drops occurred among jobless workers from manufacturing, and substantial reductions also occurred among workers from the trade and service industries.

Insured Unemployment*

January–February 1966

CHANGES in State insured unemployment have been about seasonally normal since the beginning of the year. The February volume, at a weekly average of 1,590,200, was down 54,200 from January and 342,200 below a year earlier. This was the smallest volume for the month since 1956. On a seasonally adjusted basis, insured unemployment in February held at the 1.2-million level for the fourth consecutive month; a year earlier, the seasonally adjusted volume was 1.4 million.

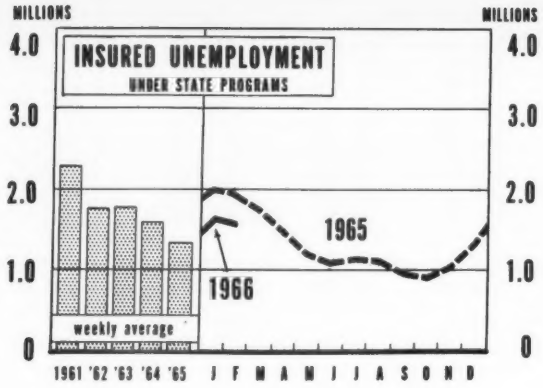
A slowdown in construction and other outdoor activity, and layoffs in trade establishments following the Christmas season, were largely responsible for raising the number of jobless to its winter peak in January. In addition, the transit strike in New York City was a contributing factor. The slight decline in February was mainly attributable to recalls in the apparel industry, where production on spring lines was starting to pick up, and to greater activity in the electrical equipment and primary metals industries. However, the construction industry continued to be severely hampered by bad weather in February; most large States reported increased numbers of jobless workers from that industry.

Insured unemployment among Federal employees (UCFE program) rose by 5,900 in January to a weekly average of 28,900 and held at that level in February. Among ex-servicemen (UCX program), insured joblessness climbed by 3,100 to an average of 32,000 per week in January, then edged down by 1,400 in February. In February a year earlier, the number of jobless under the UCFE and UCX programs averaged 33,900 and 53,400, respectively.

Nationally, the average weekly insured unemployment rate (not seasonally adjusted) moved up from 3.0 to 3.7 percent between December and January. It edged down to 3.6 percent in February, compared with 4.5 a year earlier. (On an adjusted basis, the rate, which remained unchanged at 2.7 percent from October 1965 to January 1966, moved to 2.6 percent in February—the lowest rate for any month since July 1953.) Alaska's rate rose from 14.5 to 15.0 percent in February, by far the highest rate among the States. The second highest February rate occurred in North Dakota (8.2), followed by Montana (7.1), Puerto Rico (7.0), and Nevada (6.3). Rates were substantially above the national average in such large States as California (5.6), New Jersey (4.9), New York (4.7), and Massachusetts (4.4). The lowest rates were reported by Florida (1.6) and New Hampshire and Virginia (1.7 in each).

Thirty-one States showed higher insured joblessness in February than in January; however, these increases were more than offset by reductions in the remaining States. The drop of 51,700 in

*Prepared in the Office of Program Reports and Research, Administration and Management Service, Bureau of Employment Security.



New York (18 percent, or about four times greater than usual for this time of year) was largely responsible for the net decline of 54,200 nationally. The New York reduction represented a return to a more normal level, as the January volume was inflated by claimants temporarily affected by the New York City transit strike. Washington and Pennsylvania, with reductions of 6,800 and 5,200, respectively, were the only other States reporting declines of as much as 6,000. Puerto Rico showed a drop of 5,300. Washington's greater than seasonal reduction of 16 percent was attributable to expanding activity in the construction, public utilities, and lumbering industries, following severe weather conditions during a part of January. In Pennsylvania the decline in unemployment was chiefly among workers from apparel and primary metals manufacturing, and among construction and trade workers. Less unemployment among sugarcane workers was largely responsible for the decline in Puerto Rico.

Compared with a year earlier, 47 States, the District of Columbia, and Puerto Rico had lower volumes of insured unemployment in February. California, with fewer insured jobless from nearly all industries, showed the largest over-the-year drop (48,800), followed by New York (37,000), Pennsylvania (27,300), Ohio (19,700), Massachusetts (19,200), and Illinois (19,100). The bulk of the decline in New York was among manufacturing workers, chiefly from the apparel, textile, electrical equipment, and miscellaneous industries. While the decline in Pennsylvania resulted from a general pickup in most industries, joblessness in its key primary metals industry was more than twice as high, as unemployment in this industry was adversely affected because of a drop in output. Users of primary metals have been working off their strike-hedge inventories and, although production climbed sharply in December and January, employment increases have not kept pace. Approximately three-fourths of Ohio's jobless decrease was attributable to the nonmanufacturing sector, in which reductions occurred chiefly among construction and trade workers. The declines in both Massachusetts and Illinois were distributed fairly evenly among workers from the manufacturing and nonmanufacturing sectors.

Comparatively small (less than 900), over-the-year increases in insured unemployment were reported by Alabama, Alaska, and Nevada. Industries contributing to the higher volumes of joblessness in these States were primary metals in Alabama and construction in both Alaska and Nevada.

Initial Claims

In January, initial claims rose by 14 percent (a greater than usual increase) to a weekly average of 329,100. This rise reflected, in part, heavier than usual filing in New York by those idled because of the transit strike. The February volume, at 238,500, showed about the normal decline between January and February, but it was some 11 percent below a year earlier. Under the UCX program, initial claims in February averaged 4,300 per week—virtually unchanged from the 2 preceding months. Claims under the UCFE program rose by 1,900 to a weekly average of 4,500 in January, then declined to 2,500 in February.

Benefit Payments

Benefit payments under all regular programs showed a small rise in February—up by about $3.7 million from January; but they were nearly $35.6 million below the amount a year earlier. The $230.2 million total this February included $217.2 million paid under the State programs—$4.1 million under the railroad program, and a combined total of $8.9 million under the UCX and UCFE programs.

The average weekly benefit check under the State programs for totally unemployed workers was $39.66 in February—30 cents more than in January and $2.25 above the year earlier figure. In three States (California, Colorado, and Michigan) weekly benefits averaged over $46. Puerto Rico and three States (Maine, Mississippi, and

Week ended—	Initial claims [1]		Insured unemployment [1]	
	1966	1965	1966	1965
January 1	376, 600	392, 200	1, 539, 100	2, 011, 100
January 8	402, 600	441, 400	1, 657, 800	2, 023, 900
January 15	347, 000	352, 400	1, 673, 700	2, 003, 100
January 22	290, 800	326, 400	1, 623, 900	1, 980, 800
January 29	277, 900	290, 700	1, 617, 200	1, 971, 100
February 5	318, 700	320, 200	1, 668, 800	1, 945, 500
February 12	255, 000	268, 600	1, 640, 300	1, 960, 700
February 19	208, 900	262, 000	1, 546, 400	1, 913, 300
February 26	195, 400	225, 600	1, 544, 600	1, 909, 800
March 5	198, 100	242, 200	1, 471, 000	1, 837, 800
Weekly averages				
January	329, 100	354, 600	1, 644, 400	1, 995, 600
February	238, 500	269, 100	1, 590, 200	1, 932, 300

[1] Refers to State programs.

West Virginia) disbursed checks averaging less than $26.

Approximately 8 percent of the insured unemployed under State programs received benefits for partial unemployment in February, down from 10 percent in January. The average weekly benefit check for the partially unemployed amounted to $24.26 compared with $23.95 in January and $22.81 in February 1965. Among the States, differences in State laws and industrial attachments of the unemployed result in widely varying proportions of partial unemployment. In February, these proportions ranged from lows of 2.0 percent in Indiana and 2.6 percent in Puerto Rico to highs of 17.3 percent in North Dakota and 18.9 percent in Georgia.

Exhaustions

The number of claimants exhausting their State benefit rights rose from 76,400 in December to 78,000 in January, then declined to 75,600 in February—26 percent below the number a year ago and the lowest February volume in 13 years. Exhaustees in February accounted for nearly 7 percent of the 1 million persons who ceased filing for benefits under the State unemployment insurance programs. Presumably, the remainder had returned to work or had left the labor force.

Activity [1]	Number or amount	Percent change from—		Cumulative (in thousands) First month	
	January 1966	December 1965	January 1965	1966	1965
Initial claims [2]	1, 398, 600	+8. 8	−3. 7	1, 399	1, 453
Weeks claimed [2]	6, 841, 600	+24. 4	−16. 3	6, 842	8, 177
Insured unemployment (weekly average) [2]	1, 644, 400	+25. 8	−17. 6	1, 644	1, 996
Beneficiaries (weekly average)	1, 330, 200	+34. 3	−20. 2	1, 330	1, 667
Benefits paid [3]	$212, 659, 200	+23. 6	−15. 6	$212, 659	$252, 098
Claimant exhaustions	78, 000	+2. 0	−25. 4	78	105
				First 2 months	
	February 1966	January 1966	February 1965	1966	1965
Initial claims [2]	985, 300	−29. 5	−10. 5	2, 384	2, 553
Weeks claimed [2]	6, 559, 100	−4. 1	−17. 7	13, 401	16, 145
Insured unemployment (weekly average) [2]	1, 590, 200	−3. 3	−17. 7	1, 618	1, 965
Beneficiaries (weekly average)	1, 413, 200	+6. 2	−16. 3	1, 371	1, 678
Benefits paid [3]	$217, 170, 700	+2. 1	−11. 6	$425, 868	$494, 113
Claimant exhaustions	75, 600	−3. 0	−25. 8	154	206

[1] Data relate to State programs only.
[2] Includes agent State claims taken by the Virgin Islands; also includes data under Puerto Rico sugarcane program.
[3] Monthly figures represent gross amount; cumulative data represent net amounts.

Income-Maintenance Program Operations
All Programs

	1965		1964	
	November	October	November	October
Total Public Income-Maintenance Payments (millions)	$3,272	$3,215	$2,946	$2,948
Old-age, survivors, and disability insurance	1,599	1,574	1,360	1,360
Railroad and public employee retirement	1/506	1/502	1/467	1/463
Unemployment insurance, temporary disability insurance, workmen's compensation, training benefits (ARA and MDTA)	2/345	2/326	2/354	2/351
Veterans' compensation and pension programs	356	356	336	339
Public assistance	466	457	428	434
Old-Age, Survivors, and Disability Insurance				
Total beneficiaries (thousands)	20,721	20,517	19,774	19,721
Retired workers	11,057	11,010	10,659	10,628
Survivors and dependents	8,683	8,537	8,221	8,207
Disabled workers	981	970	893	886
Total monthly benefits (millions)	3/$1,507	3/$1,494	3/$1,323	3/$1,318
Retired workers	928	925	826	823
Survivors and dependents	483	474	416	414
Disabled workers	96	95	81	81
Public Assistance				
Total recipients (thousands)	8,107	8,060	7,891	7,862
Federally aided programs	7,466	7,429	7,189	7,171
Aid to families with dependent children--children	3,312	3,293	3,153	3,138
Total recipients	4,393	4,370	4,195	4,175
Old-age assistance	2,129	2,126	2,161	2,161
Other federally aided programs	944	933	833	835
General assistance: Cases	300	298	322	319
Recipients	641	631	702	691
Total payments (millions)	4/$466	4/$457	4/$428	4/$434
Federally aided programs	436	429	398	403
General assistance	20	20	21	22

Operations Under Area Redevelopment and Manpower Development and Training Acts

	Total		ARA*		MDTA	
	December 1965	November 1965	December 1965	November 1965	December 1965	November 1965
Total paid trainees	58,231	54,866	675	762	57,556	54,104
Youths	15,160	14,501	NA	NA	15,160	14,501
Total initial trainees	10,489	9,686	NA	NA	10,489	9,686
Youths	2,455	2,841	NA	NA	2,455	2,841
Total net benefits	$11,773,273	$10,082,464	$94,505	$58,759	$11,678,768	$10,023,705
Training allowances	8,484,357	7,168,494	94,505	58,759	8,389,852	7,109,735
Youth allowances	1,436,645	1,158,024	NA	NA	1,436,645	1,158,024
Subsistence allowances	865,952	825,155	NA	NA	865,952	825,155
Transportation allowances	986,319	930,791	NA	NA	986,319	930,791

Temporary Disability Insurance Activities Under State and Railroad Programs

	First claims received		Weeks compensated		Benefits paid		Benefits paid	
	December 1965	November 1965	December 1965	November 1965	December 1965	November 1965	December 1964	November 1964
California								
State plan								
Basic benefits	47,469	50,557	309,493	298,242	$16,865,675	$16,207,832	$16,168,376	$14,397,729
Additional hospital benefits	5/31,504	5/29,290	6/230,144	6/211,315	2,761,728	2,535,780	2,606,700	2,361,852
Private plan	3,097	3,178	(7/)	(7/)	(7/)	(7/)	(7/)	(7/)
New Jersey								
State plan	7,492	7,495	59,539	53,547	2,331,687	2,111,953	2,083,532	1,703,737
Private plan	(7/)	(7/)	(7/)	(7/)	(7/)	(7/)	(7/)	(7/)
New York	(7/)	(7/)	(7/)	(7/)	(7/)	(7/)	(7/)	(7/)
Rhode Island	2,793	2,931	27,655	26,892	987,379	951,215	881,133	805,366
Railroad								
Sickness	8,679	9,544	8/110,308	9/111,746	3,861,793	4,011,314	4,478,753	4,107,387
Maternity	113	92	8/1,624	9/1,872	117,821	131,525	152,803	155,375

1/ Data not comparable with earlier reports. Effective January 1964, Federal noncontributory and State and local retirement systems previously included with the data for unemployment insurance, temporary disability insurance, and workmen's compensation are included with railroad and public employees retirement systems.
2/ Data for temporary disability insurance and workmen's compensation include estimated payments made by private insurers and self-insurers in accordance with law.
3/ Current payment status, excludes lump sum and retroactive payments and adjustments for over and under payments.
4/ Total exceeds sum of items because of inclusion of vendor payments, not shown in detail.
5/ Represents the number of payments made. 6/ Days for which additional hospital benefits were paid. 7/ Data not available.
8/ Estimated from data "benefit periods" compensated which number 55,154 for sickness and 812 for maternity.
9/ Estimated from data "benefit periods" compensated which number 55,873 for sickness and 936 for maternity.
NA--Not applicable. * ARA program transferred to MDTA after June 30, 1965. These data represent ARA projects approved prior to July 1, 1965.

Selected Unemployment Insurance Statistics, State Programs, January 1966

State	Initial claims received 1/ 2/	Weeks claimed 2/	Number of insured unemployed (weekly average) 3/	Number of beneficiaries (weekly average) 3/	Average weekly payments for total unemployment	Number of final payments 4/	Benefits paid 5/	12 months ending Jan. 1966 (in thousands)		Funds available Jan. 1966 7/ (in thousands)
								Benefits paid 6/	Collections and interest	
Total	8/1398607	8/6841640	8/1644392	1330170	$39.36	77957	$212659181	$2126395	$3323428	$8255214
Alabama	18507	86012	20385	15049	30.39	1062	1886352	16545	30967	90219
Alaska	5170	23251	5653	5073	40.56	235	856063	5700	10404	10/15710
Arizona	8869	41113	9778	7360	36.89	558	1142001	16476	15757	64704
Arkansas	14530	61896	15826	9825	28.12	642	1133379	11652	16483	33026
California	179476	1054833	247445	224805	47.33	16578	44814828	9/528163	529133	626034
Colorado	9805	37557	9554	5982	46.12	243	1122224	12022	17648	62221
Connecticut	17966	91040	21175	17747	44.07	1158	3824580	34134	60451	203955
Delaware	5025	11760	2920	3240	38.70	189	510121	4970	9819	24298
Dist. of Col.	4789	20088	5537	4173	42.39	204	738347	8988	10657	64555
Florida	16936	77106	17974	10103	27.91	1260	1155259	19885	43924	182731
Georgia	15918	65191	15576	10773	29.42	1440	1205328	15059	39794	198111
Hawaii	2629	19790	4890	4109	40.15	266	660315	7290	11084	23464
Idaho	4879	26914	6690	4685	41.60	180	775471	5749	10242	32099
Illinois	53437	259957	62033	49824	44.28	3311	8998476	87848	143929	538912
Indiana	27846	92183	22273	19936	37.57	1821	2636895	24554	50265	184780
Iowa	9376	39184	9787	6844	37.90	582	1033817	8158	14303	117501
Kansas	9446	40531	10452	7807	39.17	556	1285012	14363	18163	65146
Kentucky	17621	74799	19015	12149	33.71	852	1651668	19515	32530	124362
Louisiana	15396	59607	19924	15360	33.98	1326	1837257	23140	38381	128569
Maine	4895	32172	7588	6368	24.90	198	637785	6247	11555	35333
Maryland	23270	100824	22756	19936	37.57	724	3020660	28678	60615	174979
Massachusetts	45993	298201	69946	61333	42.35	3433	10319801	102567	143098	223542
Michigan	39466	179861	45087	34443	45.32	1836	6430197	58774	186075	10/525773
Minnesota	21515	120219	31873	23078	30.96	1093	2947024	26396	31710	25983
Mississippi	12920	45632	11127	7636	25.79	413	807405	7389	21483	62799
Missouri	37701	139744	34623	24680	35.90	1528	3485162	30656	52591	244821
Montana	6701	29212	7759	5432	31.77	337	726680	5964	6164	19574
Nebraska	6564	27161	7943	5977	35.69	418	878587	8360	8841	41741
Nevada	6678	32856	7913	7165	42.46	469	1249118	11298	11046	28520
New Hampshire	2582	12973	2773	2120	35.85	42	295992	3661	8885	30900
New Jersey	61250	341490	85315	76989	39.93	4657	12484199	121421	148862	306634
New Mexico	6649	29871	7813	5677	31.23	178	731236	7121	7941	35524
New York	269323	1202887	292507	246111	41.32	9093	40409674	360113	520612	1280103
North Carolina	40901	135453	32166	22504	25.06	1150	2285482	24739	54789	244720
North Dakota	3598	24196	6431	4810	41.09	255	827574	5683	5725	7245
Ohio	54919	252421	61713	47626	40.76	1542	7983332	71735	206994	362057
Oklahoma	11956	59048	14569	10358	27.14	882	1156961	13096	18826	49317
Oregon	20636	109514	25651	19342	37.11	661	2960662	21193	34858	97020
Pennsylvania	101000	453538	106503	85799	35.85	2724	11916047	116232	113228	10/887493
Puerto Rico	8/16489	8/133144	8/26193	14956	17.11	3702	1113624	9/17343	21814	54730
Rhode Island	9403	53976	12520	11155	39.46	575	1731006	11830	23472	55113
South Carolina	11726	46566	11503	7941	29.58	850	954769	11685	22819	97654
South Dakota	2321	15239	3731	1907	32.91	147	253334	2440	2817	15232
Tennessee	26573	114542	27764	19277	29.54	1004	2306507	22405	46059	109931
Texas	32302	164742	36331	27162	30.80	3514	3428593	45034	64727	253991
Utah	6449	44341	10890	7872	40.06	469	1306690	12137	11650	37619
Vermont	2443	14865	3506	2861	36.54	128	419941	4080	6376	8877
Virginia	13368	37862	9499	5937	30.45	493	742442	9594	24970	151579
Washington	28632	176043	41191	35515	33.00	1452	4864396	42406	63230	214204
West Virginia	13554	64304	15954	12298	25.87	589	1292469	12232	16672	63215
Wisconsin	23090	155723	34653	31126	46.79	849	5747623	35872	55324	219278
Wyoming	2048	12009	2717	1934	40.59	69	319886	2801	4668	10314

1/ Excludes transitional claims.
2/ Total includes claims taken as agent State by the Virgin Islands.
3/ Weekly data are adjusted for split weeks in the month on the basis of a 5-day work week.
4/ A final payment is the payment for the last week of compensable unemployment in a benefit year, and indicates the exhaustion of benefit rights by a claimant for that benefit year. Because of the time lapse between the actual week in which the unemployment occurs and the date on which final payment is made the monthly total includes some claimants who exhausted their rights in the preceding month but received their final payment in the reported month, and excludes some claimants who exhausted their rights in the raported month but will not receive their final payments until the succeeding month. Workers who exhaust their rights may be entitled to additional benefits when the following benefit year begins. The number of exhaustions is not indicative of the number who are still unemployed as some will have obtained employment and others may have withdrawn from the labor force.
5/ Unadjusted for voided benefit checks and transfers under interstate combined-wage plan. Includes $842,023 in payments under extended duration provisions of State laws in two States: California $789,258 and Puerto Rico $52,765.
6/ Adjusted for voided benefit checks and transfers under interstate combined-wage plan.
7/ Includes amount credited to States' accounts in the unemployment trust fund, less withdrawals by the States, under the provisions of the Employment Security Administrative Financing Act of 1954.
8/ Includes data under the program for Puerto Rican sugarcane workers.
9/ Includes payments made under State temporary extended benefit provisions.
10/ Funds available reflect an advance from Federal account in Unemployment Insurance Trust Fund.

Selected Unemployment Insurance Statistics, Federal Programs,[1] January 1966

State	UCFE					UCX				
	Initial claims received 2/	Weeks claimed	Number of beneficiaries (weekly average)	Benefits paid 3/	Average weekly payments for all unemployment 4/	Initial claims received 2/	Weeks claimed	Number of beneficiaries (weekly average)	Benefits paid 3/	Average weekly payments for all unemployment 4/
Total	19,290	115,980	23,908	$397,730	$39.37	19,826	135,439	29,960	$481,639	$38.17
Alabama	286	1,842	335	46,156	32.76	388	2,375	482	65,934	32.58
Alaska	231	2,374	619	105,647	40.63	60	622	132	21,258	38.30
Arizona	301	1,627	355	57,113	38.28	280	1,685	388	62,442	38.31
Arkansas	316	1,395	207	27,870	32.11	183	1,433	282	38,710	32.72
California	2,196	18,659	4,193	893,113	49.64	2,759	23,578	5,735	1,072,328	43.95
Colorado	270	957	152	28,822	45.25	240	1,387	286	49,948	41.59
Connecticut	102	467	86	16,494	45.69	115	514	104	15,896	36.54
Delaware	17	175	29	5,107	41.86	41	183	38	6,268	39.67
Dist. of Col.	427	3,048	773	147,409	45.41	89	406	100	17,374	41.17
Florida	260	1,299	149	18,954	30.23	320	1,458	294	39,135	31.66
Georgia	274	1,768	343	48,232	33.52	271	1,454	308	44,015	33.99
Hawaii	204	1,025	261	48,480	44.15	128	869	216	42,789	47.18
Idaho	235	1,963	373	67,727	43.25	151	922	182	29,027	38.04
Illinois	585	3,557	685	109,743	38.16	665	3,042	643	101,192	37.49
Indiana	169	846	172	25,730	35.59	326	1,705	327	48,503	35.27
Iowa	45	401	92	14,761	38.14	161	846	210	35,191	39.94
Kansas	108	827	177	25,317	33.98	200	1,093	253	42,755	40.30
Kentucky	405	1,506	268	37,951	33.73	379	3,417	764	115,479	36.00
Louisiana	172	921	184	25,279	32.79	209	1,618	443	68,029	36.54
Maine	43	431	88	7,553	20.52	105	586	127	16,967	31.89
Maryland	391	1,374	217	36,112	39.55	465	1,887	406	67,093	39.33
Massachusetts	1,019	4,498	940	176,288	44.65	333	2,695	671	124,242	44.10
Michigan	275	1,966	394	67,234	40.67	544	2,674	562	95,303	40.38
Minnesota	216	1,274	322	35,366	26.12	397	2,909	710	105,620	35.43
Mississippi	187	1,230	293	33,531	27.28	105	501	106	12,975	29.03
Missouri	320	2,011	435	60,864	33.31	458	2,529	614	93,070	36.10
Montana	452	1,905	384	52,956	32.83	135	961	197	26,900	32.53
Nebraska	120	825	201	29,122	34.50	86	481	112	17,382	36.90
Nevada	113	515	69	12,471	43.15	94	653	144	24,699	40.96
New Hampshire	41	115	21	3,620	41.61	73	257	61	10,997	42.79
New Jersey	516	2,251	400	74,441	44.28	458	3,579	730	127,177	41.51
New Mexico	350	1,900	356	49,728	33.25	254	1,172	237	33,022	33.15
New York	2,813	13,981	2,643	426,662	38.43	1,475	8,788	1,797	274,231	36.34
North Carolina	224	1,615	309	37,308	28.74	333	2,120	443	70,100	37.69
North Dakota	80	595	115	18,348	37.99	111	1,214	233	36,039	36.81
Ohio	268	1,604	510	82,173	38.40	985	5,909	1,049	163,695	37.15
Oklahoma	130	1,447	317	37,649	28.27	204	2,086	472	59,871	30.22
Oregon	421	1,911	391	58,316	35.52	318	1,894	429	71,386	39.65
Pennsylvania	792	5,243	998	154,358	36.84	1,723	11,446	2,507	393,629	37.39
Puerto Rico	107	862	171	27,020	37.68	478	6,598	1,390	217,824	37.32
Rhode Island	178	988	231	40,714	41.97	72	487	111	19,069	40.83
South Carolina	132	741	142	19,402	32.61	197	1,063	216	33,167	36.57
South Dakota	78	518	106	13,832	30.94	93	664	134	19,021	33.73
Tennessee	847	4,121	865	127,431	35.10	367	3,248	729	100,904	32.98
Texas	691	4,440	811	111,504	32.73	875	6,697	1,533	225,886	35.08
Utah	248	1,732	353	59,390	40.10	143	1,389	278	42,425	36.35
Vermont	36	159	19	3,201	40.52	28	204	45	7,123	37.89
Virginia	331	1,310	231	33,467	34.43	271	1,474	265	38,631	34.74
Virgin Islands	2	22	4	786	43.67	5	15	2	318	45.43
Washington	911	6,689	1,460	221,696	36.17	875	4,921	1,164	183,182	37.48
West Virginia	88	538	101	9,789	23.03	422	3,098	718	92,775	30.77
Wisconsin	193	2,100	440	80,219	43.46	317	2,237	516	83,744	38.63
Wyoming	74	412	121	20,274	39.83	62	396	70	11,649	39.75

1/ The programs for Federal civilian employees (UCFE) and for ex-servicemen (UCX), established under Title XV of the Social Security Act, became effective January 1, 1955 and October 27, 1958, respectively. Data exclude information on claims filed jointly with State unemployment insurance programs.

2/ Includes transitional claims.

3/ Unadjusted for voided benefit checks and transfers under interstate combined-wage plan. UCFE includes $18,896 in payments under extended duration provisions of State laws in California. UCX includes $13,679 in payments under extended duration provisions of State laws in California.

4/ Includes data for total, part-total, and partial unemployment. Separate data for total unemployment are not available.

SELECTED UNEMPLOYMENT INSURANCE STATISTICS, STATE PROGRAMS, FEBRUARY 1966

State	Initial claims received 1/ 2/	Weeks claimed 2/	Number of insured unemployed (weekly average) 3/	Number of beneficiaries (weekly average) 3/	Average weekly payments for total unemployment	Number of final payments 4/	Benefits paid 5/	12 months ending Feb. 1966 (in thousands)		Funds available Feb. 1966 7/ (in thousands)
								Benefits paid 6/	Collections and interest	
Total	8/985334	8/6636594	8/1590157	1413174	$39.66	75639	$217170699	$2097759	$3335648	$8327613
Alabama	12097	90509	19123	16100	30.36	1103	1922811	16993	30944	91185
Alaska	2357	26272	5850	5542	40.27	178	884612	5817	10362	10/ 216079
Arizona	7175	39231	9645	7490	37.22	567	1101631	15924	16021	65342
Arkansas	8325	69565	17142	12818	28.50	602	1430063	11423	16884	33495
California	168865	978598	244825	219000	47.79	16241	11449568	2/ 523426	533240	642482
Colorado	6607	42675	10641	8912	46.80	341	1621060	11714	17507	62850
Connecticut	10395	85690	21197	19490	45.88	1005	3521547	33121	60969	204358
Delaware	2496	14482	3563	3961	39.85	171	612933	4901	9694	24539
Dist. of Col.	4291	28186	6740	5691	43.42	260	981289	8883	10783	64706
Florida	11142	69671	17248	8671	27.68	1002	935631	19624	44912	186682
Georgia	11998	60620	15652	11144	29.34	1231	1193707	14647	40105	201063
Hawaii	2407	18306	5051	3865	40.52	224	593421	7361	11352	23641
Idaho	3443	27423	6823	5541	42.14	343	886542	5632	10393	32330
Illinois	38193	261761	64876	57554	45.31	3331	10160719	86766	141852	541585
Indiana	19327	107933	23278	20932	34.71	1405	2884945	24042	50672	186016
Iowa	4434	42406	10417	9189	40.38	404	1418715	8294	14685	117332
Kansas	5361	46128	11058	10268	40.19	476	1614102	13919	18167	64623
Kentucky	11156	92964	22241	16239	33.84	918	2183961	19193	32937	125120
Louisiana	13341	99376	21822	16990	33.93	1061	2223220	22967	38580	130044
Maine	3508	29591	7328	6442	25.97	260	642834	6027	11533	35425
Maryland	17487	109087	25983	25678	37.84	685	3733210	28552	59699	175897
Massachusetts	31574	274405	67725	63157	44.15	3190	10676222	100160	142879	226686
Michigan	35323	222819	48512	46549	46.17	2328	8449629	59208	186756	10/ 521888
Minnesota	10645	131506	32281	28749	30.72	804	3513412	25391	33234	26118
Mississippi	6552	47779	11706	9369	25.85	476	950676	7337	21700	65277
Missouri	22966	153063	37880	28721	37.66	1217	4070285	30670	52646	240008
Montana	3835	36589	8157	7329	31.64	333	929414	5903	6271	19304
Nebraska	3886	38030	8553	8065	36.32	412	1150985	8218	8799	41668
Nevada	4681	31388	7734	7650	42.47	417	1269158	11349	10966	28407
New Hampshire	1960	11058	2721	2110	37.03	40	292499	3373	8920	31400
New Jersey	41897	332862	81753	82445	41.33	4552	13238185	119523	149585	306603
New Mexico	5275	38720	8179	6965	31.08	205	849884	7057	8042	35447
New York	143974	1002506	240844	238361	42.07	8435	37785600	358636	526412	1287561
North Carolina	41872	165331	32869	30143	26.08	1215	3000327	24719	54122	247735
North Dakota	1735	30465	6294	6379	41.14	118	1046066	5712	5658	6684
Ohio	33742	252072	60756	51557	41.17	1273	8355018	69199	207317	369875
Oklahoma	8276	62533	15411	11385	27.30	777	1219876	12888	18928	49818
Oregon	12772	87595	21396	18126	36.19	550	2575980	20564	34529	97228
Pennsylvania	70109	424891	101254	88970	36.35	2411	12033420	113656	311613	10/ 404384
Puerto Rico	8/ 20700	8/ 100309	8/ 20853	13398	17.05	2670	953649	2/ 17319	21695	56889
Rhode Island	6586	46239	11214	10453	41.46	575	1669680	11993	23387	55592
South Carolina	7614	43408	10175	8339	29.42	878	951117	11460	23250	99534
South Dakota	1094	15698	3821	3030	33.25	124	384669	2351	2750	15076
Tennessee	15384	119703	29097	23765	29.48	1035	2714027	22194	46515	112424
Texas	27446	172055	37166	27921	30.70	3147	3348835	43550	64480	256853
Utah	4198	42777	10640	8925	39.37	480	1384224	11729	11649	36263
Vermont	1636	14671	3521	3123	37.15	90	447495	3918	6570	9011
Virginia	11918	55676	13869	10292	30.62	578	1239648	9291	24902	153135
Washington	18728	144011	34387	33265	32.45	4003	4260764	41251	64048	214118
West Virginia	10612	70233	16760	14649	25.84	441	1475570	12065	16770	63170
Wisconsin	22524	117685	31040	26008	45.39	980	4605362	35083	55394	214986
Wyoming	1358	12524	3089	2464	41.05	55	392502	2764	4572	10276

1/ Excludes transitional claims.
2/ Total includes claims taken as agent State by the Virgin Islands.
3/ Weekly data are adjusted for split weeks in the month on the basis of a 5-day work week.
4/ A final payment is the payment for the last week of compensable unemployment in a benefit year, and indicates the exhaustion of benefit rights by a claimant for that benefit year. Because of the time lapse between the actual week in which the unemployment occurs and the date on which final payment is made the monthly total includes some claimants who exhausted their rights in the preceding month but received their final payment in the reported month, and excludes some claimants who exhausted their rights in the reported month but will not receive their final payments until the succeeding month. Workers who exhaust their rights may be entitled to additional benefits when the following benefit year begins. The number of exhaustions is not indicative of the number who are still unemployed as some will have obtained employment and others may have withdrawn from the labor force.
5/ Unadjusted for voided benefit checks and transfers under interstate combined-wage plan. Includes $306,169 in payments under extended duration provisions of State laws in two States: California $261,869 and Puerto Rico $44,300.
6/ Adjusted for voided benefit checks and transfers under interstate combined-wage plan.
7/ Includes amount credited to States' accounts in the unemployment trust fund, less withdrawals by States, under the provisions of the Employment Security Administrative Financing Act of 1954.
8/ Includes data under the program for Puerto Rican sugarcane workers.
9/ Includes payments made under State temporary extended benefit provisions.
10/ Funds available reflect an advance from Federal account in Unemployment Insurance Trust Fund.

Selected Unemployment Insurance Statistics, Federal Programs,[1] February 1966

State	UCFE					UCX				
	Initial claims received 2/	Weeks claimed	Number of beneficiaries (weekly average)	Benefits paid 3/	Average weekly payments for all unemployment 4/	Initial claims received 2/	Weeks claimed	Number of beneficiaries (weekly average)	Benefits paid 3/	Average weekly payments for all unemployment 4/
Total	10,642	120,272	27,127	$4,319,313	$39.78	17,932	127,889	29,895	$4,572,225	$38.20
Alabama	189	1,911	358	47,264	33.05	328	2,527	498	65,559	32.94
Alaska	200	2,707	595	97,652	41.03	63	697	152	23,933	39.30
Arizona	232	1,713	466	72,639	38.97	265	1,459	299	46,510	38.86
Arkansas	92	1,611	225	29,100	32.37	167	1,430	302	39,383	32.57
California	1,873	18,076	4,388	894,492	50.77	2,762	20,431	5,556	991,622	44.43
Colorado	79	1,126	286	53,614	46.82	206	1,402	314	52,071	41.49
Connecticut	42	520	99	18,410	46.61	105	540	96	13,891	36.08
Delaware	6	169	30	4,963	41.36	44	239	50	7,996	40.18
Dist. of Col.	262	3,408	885	160,844	45.46	97	492	118	19,545	41.50
Florida	178	1,442	164	19,761	30.22	311	1,351	276	34,722	31.45
Georgia	165	1,535	295	38,416	32.61	249	1,355	304	40,953	33.68
Hawaii	81	1,140	293	54,861	46.85	98	796	205	38,617	47.09
Idaho	85	2,143	519	89,804	43.28	101	966	234	35,826	38.36
Illinois	284	3,305	696	104,169	37.40	551	2,506	610	91,937	37.68
Indiana	126	919	171	24,373	35.69	258	1,529	294	41,862	35.63
Iowa	39	358	86	13,812	40.27	113	705	188	30,556	40.58
Kansas	67	795	190	26,195	34.51	146	1,049	278	45,365	40.87
Kentucky	155	1,634	329	44,022	33.45	390	3,335	756	109,432	36.21
Louisiana	114	1,411	242	33,957	35.08	276	2,200	443	65,354	36.90
Maine	20	375	86	6,787	19.85	97	581	137	17,265	31.51
Maryland	145	1,213	257	39,460	38.35	356	1,638	416	65,571	39.45
Massachusetts	224	3,709	886	166,938	47.09	310	2,314	618	109,562	44.76
Michigan	233	2,060	450	73,430	40.84	623	2,803	658	106,143	40.31
Minnesota	147	1,257	367	37,828	25.79	349	2,793	750	106,625	35.55
Mississippi	96	1,151	297	32,386	27.24	123	555	114	13,236	29.09
Missouri	184	1,692	375	49,888	33.30	367	2,468	601	88,316	36.77
Montana	184	2,542	539	70,965	32.90	116	1,101	232	30,175	32.55
Nebraska	67	807	208	29,442	35.34	83	594	131	19,510	37.16
Nevada	54	581	110	18,046	41.20	81	506	115	18,933	41.34
New Hampshire	14	143	32	5,182	40.17	64	295	73	12,917	44.54
New Jersey	304	2,788	600	107,875	44.97	490	3,150	720	120,337	41.77
New Mexico	284	2,455	469	61,846	32.95	231	1,435	267	35,070	32.87
New York	1,239	15,009	3,150	498,214	39.54	1,348	8,190	1,698	249,321	36.70
North Carolina	203	1,856	385	44,625	29.00	345	2,331	512	77,274	37.75
North Dakota	35	768	144	22,224	38.52	100	1,548	283	42,415	37.44
Ohio	157	1,514	492	76,431	38.86	884	5,286	967	143,993	37.22
Oklahoma	93	1,302	311	35,656	28.64	189	2,067	456	55,100	30.22
Oregon	217	2,335	602	87,946	36.51	221	1,573	386	60,028	38.93
Pennsylvania	415	4,904	1,077	155,111	36.01	1,663	10,267	2,313	345,515	37.34
Puerto Rico	56	990	235	31,527	33.61	249	7,274	1,737	244,671	35.22
Rhode Island	37	1,106	280	51,082	45.65	92	471	119	19,348	40.55
South Carolina	75	655	144	17,955	31.17	126	1,000	227	33,016	36.44
South Dakota	37	532	140	18,109	32.34	62	656	190	25,226	33.28
Tennessee	384	5,058	1,316	186,806	35.49	339	3,170	750	99,994	33.34
Texas	430	4,940	849	111,231	32.75	820	6,193	1,418	199,857	35.25
Utah	92	1,849	437	71,470	40.86	81	1,300	306	44,890	36.64
Vermont	12	154	21	3,329	40.11	28	182	37	5,548	37.74
Virginia	286	1,728	327	44,826	34.32	263	1,527	336	46,850	34.83
Virgin Islands	1	15	5	819	40.95	4	23	4	729	45.56
Washington	404	6,042	1,512	218,039	36.06	615	4,092	1,036	155,566	37.54
West Virginia	62	519	106	9,834	23.19	351	2,970	722	89,791	31.09
Wisconsin	89	1,855	477	84,902	44.50	287	2,102	505	78,735	38.96
Wyoming	93	445	130	20,756	40.07	45	425	100	15,564	39.01

1/ The programs for Federal civilian employees (UCFE) and for ex-servicemen (UCX), established under Title XV of the Social Security Act, became effective January 1, 1955 and October 27, 1958, respectively. Data exclude information on claims filed jointly with State unemployment insurance programs.

2/ Includes transitional claims.

3/ Unadjusted for voided benefit checks and transfers under interstate combined-wage plan. UCFE includes $3,483 in payments under extended duration provisions of State laws in California. UCX includes $4,165 in payments under extended duration provisions of State laws in California.

4/ Includes data for total, part-total, and partial unemployment. Separate data for total unemployment are not available.

NOTE.—A separate monthly report, *Unemployment Insurance Statistics*, provides more detailed data on unemployment insurance activities. Copies of *Unemployment Insurance Statistics* are available upon request to Unemployment Insurance Service, Bureau of Employment Security, U.S. Department of Labor, Washington, D.C., 20210.

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